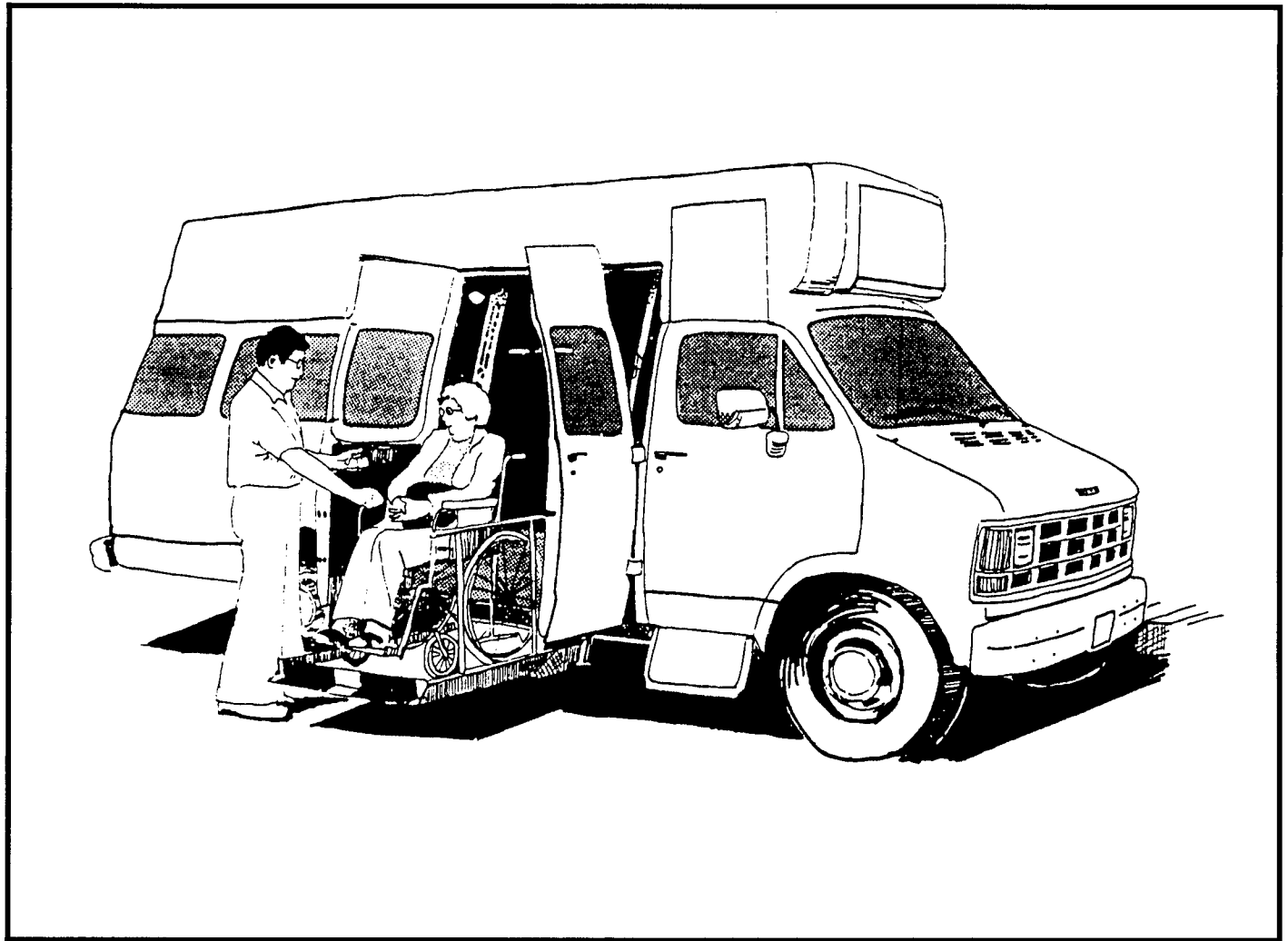


Best Practices in Specialized and Human Services Transportation Coordination

July 1989



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Best Practices in Specialized and Human Services Transportation Coordination

Final Report
July 1989

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PREFACE

During the past decade, the Department of Health and Human Services (DHHS) and the Department of Transportation (DOT) have invested substantially in improving the coordination of specialized and human services transportation. These efforts became more sharply focused with the signing of the Interagency Agreement between DHHS and DOT on October 24, 1986, regarding the coordination of transportation services. Under that agreement, the two Departments pledged to pursue five goals, including the sharing of "... technical resources and information with recipients of Federal assistance and transportation providers." To achieve that goal, the Departments set an "Information Dissemination" objective. We believe this *Guidebook to "Best Practices" in Specialized and Human Services Transportation Coordination* is responsive to that goal and objective.

The "best practices" case studies contained in this Guidebook are designed to: (1) recognize excellence by rewarding it through inclusion in the Guidebook; (2) provide a set of practical tools for managers of specialized human services transportation systems and others concerned about improving transportation coordination; and (3) revive enthusiasm across the Nation for improving the coordination of specialized and human services transportation.

Our assumption that many "best practices" now exist at State and local levels has been proven correct. We hope that this Guidebook leads to a wider sharing of information about these innovations which are on the cutting edge in coordinating specialized and human services transportation.

ACKNOWLEDGEMENTS

The Office of the Deputy Under Secretary, Department of Health and Human Services (DHHS) and the Office of the Administrator, Urban Mass Transportation Administration (UMTA) are pleased to present the *Guidebook to "Best Practices" in Specialized and Human Services Transportation Coordination*. This Guidebook is the result of collaboration between specialized and human services transportation programs at the Federal, State, and local levels, and is presented to paratransit providers on behalf of the Joint DOT/DHHS Coordinating Council on Human Services Transportation.

We wish to thank the following agencies and organizations for their support and contributions, without which the production of this Guidebook would not have been possible: within the Department of Transportation, the Urban Mass Transportation Administration's Office of Budget and Policy and the Office of Grants Management; and within the Department of Health and Human Services, the Offices of the Assistant Secretaries for Management, Budget, Public Affairs, and Planning and Evaluation; the Office of Human Development Services; the Family Support Administration; the Public Health Service; the Health Care Financing Administration; and the Social Security Administration.

The formal collaboration of the two Federal Agencies (DOT and DHHS), the enunciation of specific policies, and the successful implementation of those policies is itself a model of coordination. Key transportation and human services agencies in State and local governments have likewise initiated innovative approaches to resolve constraints through coordination of resources. These achievements are well represented in the case studies.

We would also like to acknowledge the contributions of the DHHS/DOT Interagency Work Group and the Regional Working Groups. Together with the Joint Coordinating Council, the Interagency Work Groups and Regional Working Groups cooperated to identify and to address real or perceived barriers posed by Federal regulations and procedures. This work provided a context for the conceptualization of the Guidebook and the selection of exemplary programs.

The coordination at the Federal level would serve no purpose were it not for the dedication and innovation of State and local providers of specialized and human services transportation. We appreciate their willingness to share with all of us the experience and expertise gained through the operation of effective specialized and human services transportation programs.

INTRODUCTION

BACKGROUND AND HISTORY

The coordination of transportation systems operated by or for human service providers has become a reality that is sinking deep roots in the American terrain. Yet 20 years ago, these transportation services were barely visible on the horizon.

A Growing Need for Coordinated Transportation Services

Escalating needs prepared the ground for responsive transportation policies and programs.¹ From 1960 through 1973, rural and small town America's worsening economic fortune and its fascination with the automobile contributed to drastically declining transit revenues and public transportation services. As a consequence, the poor, the elderly, and the handicapped, in particular, were increasingly isolated and immobile.

During this same period, the major expansion of social programs enacted by the U.S. Congress gave rise to a large new urban population, eligible for services, but without the means to get to them. New concepts began to gain prominence. The "transportation disadvantaged" described persons without access to private automobile or traditional, fixed-route public transportation. The "transportation disabled" referred to persons unable to use traditional public transportation, thus requiring special equipment or services.

The numbers of these newly-defined groups were larger than many had imagined. According to the 1980 Census, approximately 28 percent of the total U.S. population, or 63.5 million inhabitants of rural, small town and urban America, could be described as "transportation disadvantaged".

Transportation services to social service recipients were rather haphazard. Persons transported to an appointment could be dropped off, but not picked up. "Breakdown maintenance" was the rule as transit vehicles were run until they could run no more. Some client groups were left unserved, while others had more service than they needed. "Turf" battles among providers and eligibility disputes were common, and funding was uncertain. It was only a matter of time before Congress would be challenged to bring order out of what had become near-chaos.

Congress Takes Action

The first response from the Nation's lawmakers was funding for transportation services aimed at rural citizens. The U.S. Senate's 1973 *Report on Special Problems of the Rural Aging* called for a broad program of low-cost public transit in rural areas. This call was heeded through passage of Section 147 of the 1973 Federal Highway Act, which became a means for the delivery of the first Federal funds to the transportation disadvantaged in non-urban areas. The need for coordination in specialized transportation was becoming increasingly evident and was reflected in one of the goals of the Act: to enhance coordination, i.e., "increasing productivity, reducing duplication of services, and arriving at economies of scale among agency transportation providers".²

Then in 1977, the U.S. General Accounting Office (GAO) produced a report that spotlighted hindrances faced by participants in Federal programs as they attempted to coordinate transportation. A focus of the report was the maze of conflicting program regulations which tended to inhibit cooperation. The GAO study noted that there were 114 separate Government programs that could provide transportation as a support component.³

In 1978, Congress again focused on the problem by acting on two fronts. It passed Section 18 of the Urban Mass Transportation Act, which established a formula grant program for non-urbanized areas. Section 18, administered by the States, provided support for capital assistance, operating assistance, and project administration and planning.

In that same year, by amending the Older Americans Act of 1965, State and Area Agencies were empowered to serve more efficiently as brokers or coordinators of existing community resources. The thrust was clearly toward comprehensive, coordinated service delivery at the Federal, State, and local levels of government.

The coordination of transportation services continued to be a matter of keen Congressional interest. The passage of new legislation gave transportation for human service delivery major

impetus - at first slowly, and then with a rush. Expenditures peaked in 1984 with nearly \$120 million spent on these services from all funding sources.

Further Congressional action in 1985 assisted transportation providers by clarifying, through the Leahy Amendment, those circumstances under which Federal funds could be used for the entire local match requirement of Section 18.

In that same year, Congress heard testimony prompted by concerns about the lack of coordination among transportation service providers. Federal agency heads, State officials, and program operators cited notable instances where coordination had improved the cost-effective delivery of human services. Witnesses also documented the complexity of the problem: a wide range of programs, a diverse client population, different administrative practices, and agencies involved at Federal, State, and local levels. They called, almost in unison, for Federal leadership to halt fragmentation, duplication, and the waste of taxpayers' dollars.

Federal Coordination: Setting the Example

Building on the consensus voiced in the hearings, the two Federal agencies with jurisdiction began a collaborative process. It culminated in the signing in October 1986 of an Interagency Agreement for the Coordination of Transportation Services by the Department of Health and Human Services (DHHS) and the Department of Transportation (DOT).⁴ To implement the agreement, the two Departments created the DOT/DHHS Transportation Coordinating Council. An interagency working group, which had drafted the Agreement, was formalized and continued under the guidance of the Office of the Deputy Under Secretary of DHHS and the Office of the Administrator of the Urban Mass Transportation Administration (UMTA). Agencies and organizations represented on the Council and working group are identified in the Appendix.

The policy focus of the agreement was clear and concise:

It is the policy of the Department of Health and Human Services and the Department of Transportation to coordinate related programs at the Federal level wherever possible, and to promote maximum feasible coordination at the State and local levels.

The two Departments agreed to work together to

promote five goals:

1. To achieve the most cost-efficient use of Federal, State and local resources for specialized and human service transportation;
2. To encourage State and local governments to take a more active role in the management and coordination of programs supporting specialized and human service transportation;
3. To adopt administrative and management practices in the implementation of Federal programs which encourage coordination among service providers and increase access to specialized and human service transportation;
4. To share technical resources and information with recipients of Federal assistance and transportation providers; and
5. To encourage the most efficient system of providing service, including consideration of private sector providers and the use of competitive bidding.

IMPLEMENTING FEDERAL OBJECTIVES: THIS GUIDEBOOK AS A RESPONSE

In addition to the goals stated above, the Agreement between DHHS and DOT listed a number of key objectives. This *Guidebook to "Best Practices" in Specialized and Human Services Transportation Coordination* responds directly to three objectives of DHHS and DOT as stated in the Agreement.

1. Remove Federal Barriers to Coordination

The first objective outlined in the Agreement is widely perceived to be the most important, particularly by observers outside the Federal Government. Several Federal programs provide funding for transportation of special populations or the general public (primarily within DHHS and DOT, but also within the Department of Labor, the Department of Energy, the Veterans Administration, and ACTION). Each program has its own requirements, which can become impediments to coordination, whether real or perceived.

Aware of these concerns, the Council tackled the issue of perceived or actual barriers in 1988. Much of the input came from Regional Working Groups which received and analyzed complaints from all States. After categorizing the complaints,

the Council requested that each member agency address those real or perceived barriers posed by its regulations and practices. The responses from Federal agencies are in the Appendix, in question-and-answer format. Questions not addressed in the responses may be directed to the DOT/DHHS Council.

This Guidebook is the second phase of the Council's action plan to address concerns about Federal barriers (real or perceived). Successful coordinated systems do exist, and it is difficult to identify any Federal barriers that cannot be resolved locally.

In many cases, the role of State and local government is the key to coordination success. For example, State officials can:

- Establish effective State-level coordination among the various agencies involved in human service transportation to improve the understanding of the implications of different decisions, and to move toward more coherent State policies;
- Improve the information base for local coordination efforts through research, development, demonstration, and dissemination of that information;
- Provide specific support services, such as technical assistance or brokerage service to local organizations engaged in coordination efforts;
- Encourage coordination through financial incentives to local agencies, including the possibility of stipulating certain steps as a condition of receiving continued funding;
- Mandate or establish a single transportation provider or single funding recipient in each area; and
- Change regulatory, administrative, or legislative provisions to lift real or perceived constraints to coordination.

In fact, research confirms that the role of States is so important that barriers to coordination can virtually crumble if there is a commitment at the State level.

The "Best Practices" in this document describe the efforts of State officials and local providers to resolve and overcome constraints most commonly encountered.

2. Information Dissemination

The Council will disseminate up-to-date information that will be useful to State and local governments in their coordination efforts. The group will also consider effective ways to share information on exemplary State practices. This Guidebook is an outgrowth of that objective; and although information dissemination is not the primary focus of this publication, information on effective State and local coordination practices is offered in "Best Practices" case studies, where appropriate, and in the Appendix.

3. Information Management

The third Agreement objective addressed by this publication is the presentation of an inventory of information resources. These include data on Federal, State, and local funding patterns, as well as policies and practices to improve coordination.

This Guidebook offers up-to-date information on Federal programs that fund transportation services and coordination activities, including:

- Legislative authorization;
- Administration of programs;
- Eligibility criteria;
- General funding levels; and
- Flow of funds from Federal to program levels.

Discrete information on specific allocations is not always available, therefore Guidebook users are referred to Government offices listed, or to the *Catalog of Federal Domestic Assistance* which is updated annually.

THE PURPOSE OF THE GUIDEBOOK

State officials and local providers do many things right to ease the coordination of transportation services for persons with special needs. This assumption on the part of the DOT/DHHS Transportation Coordinating Council led to the commission of the *Guidebook to "Best Practices" in Specialized and Human Services Transportation Coordination*.

By publishing and disseminating the Guidebook, the Council is encouraging the expansion of transportation coordination. Four additional

assumptions provide the basis for this project:

1. There are success stories to be told, and these accomplishments can be documented.
2. Although the models reported are site-specific, thorough analysis and documentation of "Best Practices" can be helpful to providers in other settings who want to initiate coordination, as well as those who are committed to improving existing operations.
3. National recognition serves as a reward to those specialized and human service transportation providers who operate programs with "Best Practices". It will also encourage those who are striving, but have not yet reached such standards of excellence.
4. National visibility for the issue of human services transportation coordination will breathe new life into advocacy and improvement efforts.

DEFINING "BEST PRACTICES"

The approaches to achieving coordinated, effective, and efficient specialized transportation services are dictated by the needs of clients and by the institutional, economic, and social environment. These diverse settings offer widely differing opportunities for and limitations upon the provision of coordinated paratransit services. In the midst of such complexity, the challenge was to develop criteria which would permit the selection of "Best Practice" programs. The essential characteristics of any operational definition are that the criteria be rational; simple, yet comprehensive enough to capture major aspects of program services; and reliable and appropriate, such that any group of reasonable persons would make the same selection.

Four major selection criteria emerged from a series of consultations with government officials and practitioners, literature reviews, on-site visits, and conference participation over a three-month period. There are two characteristics which are mandatory for selection:

1. Evidence of coordination at some level of program operation; and
2. Demonstration that at least two barriers to coordination are, or have been, effectively handled.

The remaining major categories, risk management, program evaluation and monitoring, and

marketing/promotion, and expansion, are described in Exhibit 1.

The two mandatory criteria are described briefly in the following sections.

Criterion #1: Evidence of Coordination

Not all transportation services for persons participating in human service programs are provided through coordinated systems or strategies. Although "Best Practices" may be found in those situations, they were excluded from consideration.

This emphasis reflects the Council's position that coordination is a prerequisite for effective and efficient management of transportation services for social service programs. As noted, transportation is a support component in programs such as services to the aging, aid to those with developmental disabilities, Medicaid, Head Start, Community Services, Aid to Families with Dependent Children, Work Incentive (WIN), and vocational rehabilitation. Other programs, governed by Federal and State transportation procedures for capital and/or operating assistance, fund transportation as a primary service.

The Council is also keenly aware of the benefits of coordination of transportation services. Transportation systems and State agencies are not the only recipients of advantages derived from the coordination process. The community, as a whole, may realize the following benefits:

- Higher quality, more reliable transportation service;
- Increased transportation service to agency programs;
- Reduced costs for the transportation provider;
- The ability to provide more trips; and
- Increased community influence.

What is transportation coordination? The definition used by DHHS is:

"A cooperative arrangement among human service agencies and public and private transportation operators aimed at realizing increased transportation benefits and cost-effective services through the shared management and/or operation of one or more transportation functions."⁵

The goal of transportation coordination is the

creation of a more responsive, efficient, and reliable system for transporting people, developed through the use of resources in the local community.⁶

Many service programs provide transportation; likewise, several kinds of coordination can be identified.⁷

Vehicle Operations Coordination

Three examples of vehicle operations coordination are:

Ride Share - Two or more separate agencies transport to the same general vicinity. Coordination results in costs savings from fewer trips.

Time Share - One agency allows another agency to use a vehicle during idle times, on a cost reimbursement basis. Costs are reduced from "renting" the vehicle to other agencies.

Operating Coordination - Two or more agencies combine or centralize all activities necessary to transport passengers (routing, scheduling, and dispatching); or an agency contracts out this function to a specified transportation provider via purchase of a service agreement. Cost savings result from a reduction in necessary staff positions, or through the income received from the purchase of a service agreement, depending on the type and extent of agency participation.

Maintenance Coordination

Another level of coordination focuses on maintenance. Two or more separate agencies combine or centralize all or part of activities related to servicing vehicles (maintenance, parts, purchasing, vehicle storage). An agency could also contract out this function to a specified transportation provider. Cost savings result from pooling space requirements for storage, bulk purchasing of parts, and the possible reduction of staff positions.

Consolidated Transportation System

The consolidated transportation system combines all the aforementioned types of coordination into a separate organization with complete responsibility for providing transportation services. The terms, cost, accountability, and reporting requirements are spelled out in a negotiated purchase of service agreement. This

agreement can also include the management of a participating agency's vehicles. Among the savings realized are reductions in costs for transportation staff, overhead, maintenance, and insurance.

This guidebook illustrates a range of creative responses to the coordination mandate. "Best Practices" in nearly every category are featured in the case studies in this publication.

Criterion #2: Effective Handling of Coordination Barriers

Local providers frequently report finding themselves as busy as jugglers, handling complex Federal and State laws, regulations, and administrative demands. In some cases, these requirements have become impediments to coordination, whether real or perceived.

There are also other possible coordination constraints. During the Council's outreach effort to solicit concerns and issues, some States pointed out the lack of Federal funding for start-up or coordination costs. Coordination with Head Start programs was seen as a challenge, given the fact that the states are by-passed in Head Start's funding flow. The issue of vehicle replacements was posed by nonprofit agencies. Yet another possible barrier was reported by program operators who expressed the need for greater flexibility in the use of Section 16(b)(2) vehicles.

Frequently, several States reported the same concerns. These concerns became a part of the template by which candidate programs were assessed. The frequent barriers are:

1. Issues posed by the involvement of multiple Federal/State agencies and funding.

- Client eligibility issues
- Specific Medicaid/Medicare issues
- Specific Title III issues
- Burdensome mandatory reporting requirements, and/or lack of standardized accounting and reporting requirements

2. Lack of funding for start-up and coordination planning activities.

3. Coordination with Head Start programs.

4. The need to replace vehicles.

5. The need for greater flexibility in the use of Section 16(b)(2) vehicles.

The reader is reminded that additional Federal agency responses to many of these barriers, indicated by State officials and transportation program operators, are located in the Appendix.

Selection of "Best Practice" Programs

To summarize, a "Best Practice" specialized transportation system is one wherein **coordination** of resources and/or services has been achieved or is being actively pursued. There must be a demonstration that at least two **barriers to coordination** have been resolved. Sound and effective **risk management** policies and programs have to be in place, particularly focusing on hiring, training, and motivating drivers. Systematic evaluation and monitoring services have been undertaken, and the feedback is used to strengthen and improve program operations. Finally, marketing, promotional, and program expansion efforts must also be planned and implemented.

"Best Practice" candidates were selected over a three-month period, using several sources. Members of the Federal workgroup supporting the DOT/DHHS Transportation Coordination Workgroup recommended programs and knowledgeable contact persons. Others consulted included Rural America, researchers, providers throughout the nation, and participants in the 11th National Conference on Specialized Transportation, held in Sarasota, Florida, in November 1988. Reviews of transportation-related literature also provided a major source of information on programs.

From the list of programs identified through this process, 17 were selected. All display ample evidence of coordination, as well as success in overcoming at least two of the targeted "barriers".

The Guidebook is representative, to the greatest possible extent, of location (urban/rural), geography, and client population diversity. Care was also taken to include the major DHHS programs with transportation components - Title III of the Older Americans Act, Medicare/Medicaid (Title XIX), Head Start, and the Social Service Block Grants (SSBG).

Just as there are different kinds of coordination, there are also different levels of coordination. Coordination efforts range from community to region, and from multi-county to multi-State. This Guidebook explores cooperative efforts at a variety of levels.

Contents of the "Best Practices" Case Studies

Each case study first presents background information on the context in which the program operates. It focuses on relevant political, social, institutional, and geographic settings. The case then describes the program itself and its "Best Practices".

Several of the programs are exemplary in a number of respects and may address more than two barriers or selection criteria. Depending on the comprehensiveness of the particular program, the case study may also include summary descriptions of other features considered to be noteworthy or unique.

THE GUIDEBOOK'S REMAINING CHAPTERS

Chapter 2 presents 17 "Best Practices", each described as a case study in separate mini-chapters.

Chapter 3 provides summary information on Federal programs that contain a transportation component.

The Appendix contains supplemental information, such as lists of contacts and the agency responses to identified barriers.

Government officials and program operators featured in this publication have agreed to serve as resource persons for Guidebook users. Although each setting is different and not all program features are replicable, the reader is urged to consult this "front line" technical assistance network. These committed individuals, and many more yet to be identified, represent effective stewards for the public good. Their contributions are valued and it is anticipated that this Guidebook will ultimately serve to expand their ranks.

Other knowledgeable contacts at Federal, Regional and State levels are also identified in the Appendix. They, too, stand ready to be responsive. They include the DOT/DHHS Transportation Coordinating Council and workgroups, the 10 Regional working groups, State representatives associated with the Transportation Accounting Consortium, representatives of associations contacted during the course of the Guidebook project, and contacts for "Best Practice" programs.

The implementation of new systems and programs is never a simple task. It does not appear to be nearly as difficult, however, when models

are present which allow a transit provider to build from that point and structure "Best Practices" that are feasible and workable in a particular transportation environment. The advantage that the reader of this Guidebook has is the ability to look at a number of systems that are working efficiently through coordination. It is, therefore, not necessary for the provider to "re-invent the wheel" when initiating coordination.

The range of possibilities may surprise the

reader. Inventive and innovative specialized transportation providers have discovered that there are ways to address what seemed to have been immovable barriers. Although it is not a "how-to" manual, as such, this Guidebook describes solutions that can be adapted by providers who recognize the value of coordination, but have not been exposed to the various ways implementation can occur.

Exhibit 1

SELECTION CRITERIA

Mandatory Criteria

Coordination
Elimination Barriers to Coordination

Risk Management Criteria

Driver Hiring Standards
Driver Training Standards
Driver Motivation and Retention Program
Drug/Alcohol Policy and Procedures
Passenger Assistance Program

Program Evaluation and Monitoring Criteria

Program Evaluation
User/Client Participation in Transportation System

Marketing/Promotion/Expansion

Mandatory criteria (Coordination and Elimination of Barriers to Coordination) are explained earlier in the text of this section. The remaining criteria (Risk Management, Program Evaluation and Monitoring, and Marketing/Promotion/Expansion) are explained below.

Risk Management

A 1984 study of rural specialized transportation systems reported that only 66 percent of the 51 programs checked driving records of potential drivers **before hire**; 41 percent checked driving records **after employment**; and 55 percent required physical exams. Only 47 percent required defensive driving classes; 43 percent required CPR; and 61 percent required first aid. Only 19 percent of the programs had written safety instructions; 72 percent required monthly vehicle inspections; and a mere 31 percent required seatbelts.⁸ Experts believe the national statistics are even worse.

The December 1988 issue of the *Community Transportation Reporter (CTR)* was devoted to risk management. The publication states:

"A risk manager is anyone managing a transit operation. Virtually no aspect of transit operations is unaffected by the risk management process. Unfortunately, no other area of transit management is as fragmented as risk management. Effective risk management is specific policies, and begins with the collection, analysis, and dissemination of good information."⁹

The elimination or reduction of hazards is linked to performance measurement, passenger listing, dispatching, financial analyses, and maintenance management. Managers of virtually all of the "Best Practices" selections were attentive, and frequently innovative, with respect to driver hiring and training, passenger assistance, and employment stability. The author of one article, "Risk Management Made Easy" (in the same *CTR* publication cited above), describes the results of a study completed for the South Carolina Department of Highways and Public Transportation. The study analyzed accident data, vehicle maintenance procedures, staff training, preventive maintenance, trip inspections, safety inspections, and work order systems. "Several common risk-related mistakes were found among transit providers. First, transit providers deleted the benefit of separate safety inspections. Second, there was little uniformity in procedures and requirements for driver employment and training. Third, a significant number of systems omitted medical pre-

Exhibit 1 (Cont.)

employment exams that could signal potential risks."¹⁰

Substance abuse is one of the most critical issues. On November 21, 1988, UMTA /DOT issued a mandate requiring DOT-funded programs to develop and implement substance abuse policies. It applies to all Section 3, 9, and 18 recipients, and all "safety sensitive employees" (vehicle operators, vehicle controllers and dispatchers, vehicle maintenance workers, and the supervisors of all the above). The types of testing required by the rule include pre-employment, reasonable cause, return to duty, post-accident, and random.¹¹ UMTA is encouraging small and rural operators to form consortiums to meet the requirements, which must be operational no later than December 21, 1990.

Evaluation and Monitoring

Evaluation and monitoring are essential activities common to exemplary programs. For example, the more effective coordinated systems have systematic feedback from users and client agencies. The community plays an important role in creating an environment that fosters support for paratransit programs, particularly local government officials, politicians, and organizations. At a minimum, transportation providers should have informal mechanisms to evaluate and monitor their services.¹²

Marketing/Promotion/Expansion

"Marketing"¹³ refers to the background work performed by the transportation providers to promote, advocate, network, sustain, coordinate, and otherwise sell the transportation system to the public, to social agencies, or to various groups of users.

In the context of coordination, marketing can be considered a means of coordinating. Marketing activities include:

- Advertising and Sales Promotion;
- Telephone Information Services;
- Customer and Passenger Services;
- Community Affairs and Community Relations;
- Published Informational and Promotional Materials;
- Scheduling; and
- Marketing Research.

The extent to which a specialized transportation system employs various promotional activities may be an index of the quality and sophistication of the operation. The data from a study of marketing efforts of rural systems suggests that "Organizations which engage in formal market planning will be more successful than those that do not."¹⁴

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"BEST PRACTICES"

COMMUNITY ACTION AGENCY

YORK COUNTY COMMUNITY ACTION CORPORATION

EXPANDING HUMAN SERVICE TRANSPORTATION INCOME BASE THROUGH COST DOCUMENTATION

BACKGROUND

In its mission statement adopted August 28, 1986, the York County Community Action Corporation pledges "...to do all in its power to alleviate poverty and promote the self-sufficiency of the people within its service area, York County, Maine, ...the Corporation will actively mobilize resources to support these activities, and will endeavor to make prudent and effective use of all resources entrusted to it."¹

The quiet towns and villages of York County, Maine are welling with a new influx of settlers: commuters to the industrial hubs of Boston (1 1/2 hours away) and Portland (Maine's commerce center), and those attracted to the natural beauty of its coastal towns. Even with this new wave of residents, the county is still burdened with isolation and poverty in its innermost areas. The York County Community Action Corporation (YCCAC) is committed to changing the lives of the 22,300 elderly² and remaining transportation-disadvantaged of the County.

Institutional Framework

In 1979, Maine passed an act coordinating all regional and intercity public transportation programs. The law recognized that, "many State residents, including low-income, elderly, and handicapped persons, are unserved or underserved by low-cost public transportation, and that there is a growing need for public transportation." The act established an administrative framework at the State and regional levels for coordinated allocation of State and Federal transportation funds and authorized State assistance for planning, technical assistance, capital, and operating assistance.

The Maine Department of Transportation established geographic regions within the State, and designated one public transportation agency to provide transportation within each region. These nine providers were required to formulate annual, regional operational plans, with the stipulation that there be maximum feasible

coordination of funds among all State agencies sponsoring transportation in the district.³

Maine's transportation coordination was fortified in 1982 with the organization of the Maine Transit Association (MTA) representing the nine "demand-responsive" and eleven "fixed-route" services. The purpose of MTA, as stated in the By-Laws is:⁴

- To provide a medium for exchange of experiences, discussion, and comparative study of transportation issues;
- To aid members in dealing with special issues and legislation pertaining to public and social service transportation;
- To encourage cooperation among its members and the general public; and
- To collect, compile, and make available to members and others data and information relative to public and social service transportation.

Companies providing professional services, governmental agencies, and suppliers may serve as non-voting, affiliate members. MTA has been able to voice unity to State agencies and the Legislature by facilitating the sharing of information and the defining of common problems.

The Transportation Director for YCCAC, an officer of MTA, has worked over the years with the eight other regional transportation providers in Maine to seek additional funds. The Director has also aided the regions in improving standardized record keeping and developing their role as advocates for the needs of their riders.⁵

PROGRAMS AND SERVICES

Transportation Services

Since the enactment of the 1979 legislation,

YCCAC has been the designated provider of transportation for the 1,000 square mile southern-most county of Maine, servicing a population of 163,100. The transportation program's primary purpose is to promote self-sufficiency by providing a means to get to community services and resources which would otherwise be inaccessible. To fulfill this purpose and its goals, YCCAC operates 12 routes daily and provides a low-fare, fixed-route public transit and commuter service Monday through Friday in the town of Sanford.

YCCAC operates five demand-responsive routes daily throughout the County for elderly, handicapped, and low-income persons, with service offered to the general public on a space-available basis. Vans and buses carry riders to medical services, elderly meal sites, shopping centers, vocational and rehabilitation training programs, and day care centers. This advance registration program is provided with reduced rates or free service available to eligible individuals.

Specialized individual transportation is delivered through six subscription routes, using volunteer drivers and taxis to meet needs which cannot be met with the agency's regular routes and schedules. Eligibility is limited to medical services covered by Medicaid, child protective cases, and elderly persons at risk of institutionalization.

Funding

YCCAC's transportation budget drew from 24 funding sources in 1988, including:

- Social Services Block Grant (SSBG);
- Title III of the Older Americans Act
- Title XIX of the Social Security Act (Medicaid);
- Vocational Rehabilitation; and
- Head Start (through local programs).

BEST PRACTICE: Recognizing the Cost of Services

Federal and local funding have remained generally constant, or have decreased annually, while costs continue to rise. Transportation providers, therefore, must make the best use of each dollar.

YCCAC recovers the full cost of transportation services which are allowable under the Maine Medicaid plan. It does so by adhering to an accurate and complete cost allocation method. The provider has been receiving Title XIX dollars for three different client groups:

- Traditional Medicaid-eligible persons going to eligible services;
- Elderly persons living in their own homes, who are at risk of institutionalization (funded through a Medicaid Waiver program); and
- Mentally retarded people who live at home and attend "dayhabilitation" programs (funded through another Medicaid Waiver program).

Because YCCAC and the other regional providers are the only non-emergency transportation providers contracting with the State, services to these groups are expensive. Transportation is provided in YCCAC's vehicles by family members and volunteers, taxicabs and buses where preferable and economical, and even by airplane (with prior authorization).

Each mode of transportation has its own costs, which are fully recoverable through Medicaid, providing, however, that a complete cost allocation system has been developed that allows for recovery of the full cost of service. Personnel costs, from dispatching to data entry, are paid by Medicaid. Computer and printer time, telephone charges, and postage are also eligible. In addition, indirect overhead, heat, rent, vehicle insurance, and vehicle maintenance are covered as long as the cost allocation used provides a justifiable basis for distributing the costs to the "Medicaid cost center", along with other "cost centers" in the transportation program.

YCCAC is currently refining a cost-allocation model to extract the same information for other clients of specific funding sources, paying YCCAC on a unit cost basis.

RESULTS

The York County Community Action Corporation is recouping all costs associated with Medicaid services through accurate unit costing. Because Medicaid is paying its fair share, YCCAC can target transportation money from other

funding sources to support clients who are ineligible for Medicaid. For example, money from United Way can now be used as a safety net - a funding source for clients who are not eligible for Medicaid.

Complete documentation is absolutely essential if an expanding income base is to be created. As an industry, community transportation providers know that they have been meeting the needs of their clients, but the difficulty has come in documenting it with facts and figures which allow the money to follow. It is now possible to have a sound basis to advocate for increased funding to

meet the needs of the transportation-disadvantaged.

It is hard to argue with **proof** of unmet needs. "If all community transit providers accurately document real costs, the well-deserved level of funding for services might finally be attained."⁶

CONCEPT TRANSFERABILITY

The cost-allocation model attached is certainly worth the consideration of systems seeking ways to make the best use of funding opportunities. It is currently being refined by YCCAC.

Exhibit 1

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
T. XIX COST ALLOCATION					YORK COUNTY COMMUNITY ACTION CORP. TRANSPORTATION - FY 87 BUDGET									
ACCT. AMOUNT EXCLUSIONS	ALLOWABLE MEDICAID MEDICAID													
	EXPENSES BASIS	EXPENSE BASIS	EXPENSE BASIS	EXPENSE BASIS	EXPENSE BASIS	EXPENSE BASIS	EXPENSE BASIS	EXPENSE BASIS	EXPENSE BASIS	EXPENSE BASIS	EXPENSE BASIS	EXPENSE BASIS	EXPENSE BASIS	EXPENSE BASIS
Salaries/fringe	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Consultant Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equipment Purch.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subcontracts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Occupancy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Telephone	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Materials/Supp.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Staff Travel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Travel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bonding/Insur.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Administration	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Data Process.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gas/Oil/Maint.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

TEMPLATE

Rows	#6-19	Line item expenses
Row 14:		Other travel -- reimbursed mileage for volunteer drivers for Medicaid trips.
Columns #8-11		Cost centers for Medicaid (col. 7)
Column 8:		Agency vehicles -- agency operated
9:		Family vehicles
10:		Volunteer vehicles -- non-family
11:		Other vehicles -- taxi, bus, other common carrier
Columns #12-13		BSS (Bureau of Social Services)
Columns #14-15		All other (All other Cost Centers, not yet separated out)

All columns with heading of "BASIS" are on percentage of time for each line item to each of the three major cost centers (Medicaid, BSS, All Other).

REFERENCES

1. "York County Community Action Corporation Mission Statement," Adopted August 28, 1986.
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4. "By-Laws, Maine Transit Association, State of Maine," Article II, October 26, 1982.
5. Connie Garber, "How to Expand Your Income Base for Human Service Transportation", *Community Transportation Reporter*, October 1988, p. 12.
6. *ibid.*, pp. 12-13.

BROKERAGE MODELS

WHEELS, INC.

AN URBAN BROKERAGE MEETS THE CHALLENGES IN PHILADELPHIA

BACKGROUND

WHEELS, Inc. was selected in 1983 to manage Medical Assistance (MA)-funded transportation in the entire City and County of Philadelphia. The award resulted from a competitive procurement by the Pennsylvania Department of Public Welfare (DPW).

Statewide, the problems were severe. Transportation costs for MA clients were escalating yearly, and DPW had no organized means for controlling the level or nature of those costs. The State had no data to support problem analysis; it could neither identify transportation suppliers, nor control trip volumes. It was impossible to forecast, or to respond to complaints of poor service.

The first challenge to WHEELS was posed by the size of the program in Philadelphia, the fourth largest city in the United States. DPW estimated in 1983 that more than 400,000 persons were MA clients, including about 73,000 who were eligible for MA transportation. In 1983, 17 private carriers provided tens of thousands of MA paratransit trips as a major component of their operations each year. The annual DPW budget for Philadelphia MA transportation was approximately \$6 million. Neither WHEELS, nor any other Pennsylvania transportation agency, had ever attempted to manage specialized transportation at this level or magnitude.

The second challenge to WHEELS lay in responding to DPW's requirements and needs. As the agent of DPW, WHEELS was mandated to carry out the Department's regulations covering client eligibility, trip-purpose eligibility, acceptable modes of passenger transportation, eligibility of costs for reimbursement, billing, record-keeping, reporting, and requirements for State approvals.

DPW's 1983 regulations prescribed methods for each county to use to conduct its work, but did not impose detailed operating plans. And therein lay the third major challenge to WHEELS in 1983 - to design plans for managing and delivering transportation, and realizing those designs in practice.

WHEELS' challenge was to:

- Implement an automated system to ensure delivery of services, while producing records and management reports needed by DPW;
- Respond to rapid changes in policy regarding client eligibility, client load, and temporary reductions in service volume, in addition to the day-to-day challenges; and
- Contain costs.

BEST PRACTICES: CENTRALIZED MANAGEMENT

WHEELS brought to the task decades of urban-area experience - experience with advance-reservation, door-to-door, driver-assisted transportation, scheduling, client registration, and management of client records. WHEELS also had experience handling fleets and drivers; experience with procurement and management of the services of private carriers; experience with meeting program sponsors' requirements; and experience with budgeting and financial management.

Centralization is the Key

WHEELS manages Medical Assistance transportation in Philadelphia under a concept of centralization used successfully in other programs. Simply stated, WHEELS itself carries out all of the management and transportation responsibilities, except for on-street delivery of service. On-street paratransit service is, however, scheduled by WHEELS for delivery by paratransit operators who are strictly regulated by their contract with WHEELS. Fare-paid service is available through Philadelphia's dense public transit and taxicab systems. Private automobile usage is at a bare minimum.

Control of activity leads to control of program

expenses - including the formerly uncontrolled transportation expenses. WHEELS, the transportation broker, holds a contract with DPW under which it is reimbursed for all program expenses. The contract limit is supported by a detailed budget of estimated expenses. DPW interacts with WHEELS' executives and approves all carrier contracts before execution by WHEELS. The transportation broker prepares all reports and the comprehensive records needed to document operations and to verify client participation.

The transportation broker affords the program a single, central source of reference assistance, direction, and accountability. WHEELS is organized along functional lines. Line staff members report to one of four managers - fiscal, data, operations, or transportation (see Exhibit A for chart and descriptions of responsibilities).

The system currently employs a staff of about 45 persons. Paratransit services are performed by 14 carriers. WHEELS supplements formal agreements with management meetings, both internal and external, and written communications. The organization's executives and managers are in direct contact, as appropriate, with state and local DPW personnel, medical service providers, contracted carriers, clients, and its own staff. WHEELS is guided by a volunteer Board of Directors and an Advisory Board which includes consumers. This working relationship expands the network and input needed by WHEELS' management.

Automating for Centralized Transportation Management

WHEELS guided the creation of a unique computer system, producing an electronic tool which allows the broker to effectively manage client demand, supply, and cost control. Solution Systems, Inc. (SSI), designed the extremely "user-friendly" network. Like the spokes of a wheel, the system's 26 terminals located in the broker's offices are linked electronically with SSI equipment at SSI offices. Employees who use the system have access to printers which enable them to produce reports, schedules, analyses, and mailing lists (Exhibit B).

The system is extensive and comprehensive. The data base encompasses:

- Client identification;
- Trip information;

- Service schedules (stratified by carrier, vehicle, time, date, and client/service classifications);
- Fleet information;
- Driver information; and
- Rates and conditions of service.

Centralized Management of Client Demand

WHEELS cannot unilaterally control the volume of users or trips in the MA Transportation Program (MATP). Neither can it dictate trip location nor frequency. Each of these is a function of the DPW.

The prime contractor's approach is to use a centralized client registration process to maintain client information, to verify client status, to examine the validity of each trip request, to organize trip requests for scheduling, and to estimate trip volumes and the supply needed.

In practice, a series of steps puts WHEELS' principles into effect:

1. Centralized, documented and uniform registration of individual clients. The County Assistance Office decides which individuals receiving medical assistance are also eligible for MA transportation. However, the individual is not part of the transportation system, nor supplied any trips until a transportation registration is completed, submitted to WHEELS, accepted by it as valid, and recorded in the computerized system.
2. Centralized, documented and uniform acceptance of trip requests. A registered client (or a DPW medical service acting for a registered client) must ask WHEELS to supply a paratransit trip. The client cannot place a request with a carrier, with a DPW office, or with another party. WHEELS' centralization makes it easy for a trip requester: a single phone call or written request results in a trip being supplied. When appropriate, a standing order is filled, again based on a single request.

3. Centralized, documented and uniform reimbursement of non-paratransit client trips. WHEELS' registration process identifies clients who must travel by transit, taxicab or private automobile. Upon registration, each such client receives written and oral instructions on how to use modes and how to claim reimbursement. Each is supplied with forms to be used. At month's-end, each client submits the appropriate claim form. If verified by WHEELS, a check in the approved amount approved is issued to the client.

It is evident that WHEELS' registration records supply indicators of the volume of demand, as well as a basis for predicting amounts and kinds of trips which the broker must supply and manage. For transit users, reimbursement cannot exceed the cost of a monthly transit pass. Thus, it can be foreseen that the total for any one period can never exceed the dollar amount represented by the number of registered users, multiplied by the cost of a monthly transit pass. (In fact, most transit reimbursements are for amounts below the "cap".)

For paratransit, WHEELS' schedulers, assisted by computer programs, can use standing order registration data to produce a "template" of future service, which then predicts a daily forecast of the consumption of paratransit hours of service. These templates, plus WHEELS' experience, enable the prime contractor to contract for appropriate kinds and amounts of private-carrier paratransit service.

Centralized Management of the Supply of Paratransit Services

WHEELS' methods for managing MA paratransit services are consistent with its centralized approach. The organization designs the trips and distributes trip-delivery among contracted private carriers. No carrier acts unilaterally to provide an MATP trip in Philadelphia.

To obtain a citywide network of carriers, WHEELS conducts a competitive procurement. Those that win awards are the only carriers authorized to operate MATP service in Philadelphia. (For Fiscal Year 1989, DPW authorized several service centers to operate transportation for their eligible clients. Each center's operations are managed by WHEELS.) To obtain a citywide network to meet demand, each

bidder names the preferred zones (five areas of the city defined by WHEELS). Each must accept trips in any zone, if assigned. Zonal assignments are awarded as "primary" or "secondary".

In managing supply, therefore, WHEELS first estimates its needs (the "demand"), and then puts into place a network sufficient to operate the trips (the "supply"). The control the organization achieves is fundamental to responsible management of the paratransit portion of the Philadelphia Medical Assistance Transportation Program.

Under the terms of the carrier contracts, WHEELS controls virtually every aspect of a carrier's MATP paratransit activity. The contract document, supplied with the request for proposal, describes the service and the distribution of activities. The carrier agrees to:

- Perform on the days and during the hours stated, throughout the service area.
- Provide specific assistance to passengers.
- Verify drivers' licenses and safety records.
- Have drivers complete specific training courses.
- Deploy and maintain vehicles which meet stated standards and pass inspection by WHEELS.
- Accept vehicle-by-vehicle daily schedules prepared by WHEELS and operate in accordance with those schedules.
- Report service results, using forms supplied by WHEELS (including drivers' logs following use in service).
- Maintain insurance at specified levels.
- Submit invoices to and accept reimbursement from WHEELS in accordance with rates established by the carrier's award.
- Meet with WHEELS' executives or their agents, as needed.

WHEELS receives per-vehicle-hour bids on six paratransit modes of service. Awards cite the rank

of each successful bid with respect to all bids received and in relation to the median rate of all bids considered.

Paratransit Cost Control : Some Techniques

In Philadelphia, purchase of transportation consumes at least 80 percent of all MATP costs. Within the purchase-of-transportation costs, 90 percent is consumed by paratransit services. **The basic challenge to the prime contractor's management is evident: procure and deploy paratransit service at the lowest possible rates.**

The array of accepted bids gives WHEELS one of its basic tools for centralized control of supply costs (e.g., assignment of the mode of service which produces the lowest cost per trip).

Modal Assignment/ Cost Strategy - WHEELS' subcontractors agree to reimbursement per vehicle hour per mode of service. WHEELS specifies the modal reimbursement rate for each vehicle's service each day, and shows the mode(s) assigned on the vehicle manifest. This practice supports a fundamental concept for containment of paratransit service costs: a day (tour) of split runs (cluster of trips) may, for example, have two runs to be reimbursed at mode five and one to be reimbursed at the costlier mode six. Hence the total reimbursement due for the tour is less than reimbursement for a full day of work at the costlier mode (see Exhibit C).

This practice results in another fiscal benefit. WHEELS' schedules specify that the vehicle used by the carrier on a given day must accommodate the needs defined by the mode assigned. If the carrier chooses to deploy a type of vehicle which costs more to operate than another which could equally well accommodate the mode, the rate of reimbursement is unaffected. If, for example, the carrier chooses to use a passenger van to accommodate loading which would be suitable for a sedan, the rate of reimbursement is geared to the sedan loading capacity, as specified by the mode assigned on the schedule.

Computer-Assisted Scheduling - It is evident that a computer is essential to manage the intricacies of scheduling and recordkeeping. WHEELS' sophisticated computer system enables a corps of four or five planners to accomplish the massive volume of daily scheduling of 4,500 paratransit trips.

The scheduling routines are organized by the computer to present a list of the requested trips by the time and zone. The planner has a

logical basis from which to proceed. The computer fields of data include all the information pertinent to each individual trip. In addition to the obvious identifiers of client by MA number, times and addresses, the data include a unique reservation number, locator codes, zonal carrier codes, modal assignment, indicators of special needs, and other trip information.

WHEELS' internal procedures guide the planner with the sequence of steps in arranging the list of requests into vehicle tours. The planner has the opportunity to refine each tour until maximum productivity is achieved.

After several review stages, all of which can be conducted through viewing at the computer terminal, the vehicle manifests for each tour are printed. Enough manifests are produced to provide "hard copies" for both the carriers and WHEELS.

The computer processes also enable the planners to respond to circumstances which can change a preplanned tour, and to quickly construct new basic tours when standing orders expire. These and all the other possible variations which occur in "real life" can be handled with ease through the computerized system.

RESULTS

In 1983, WHEELS set out to remedy some serious problems plaguing the Philadelphia Medical Assistance Transportation Program. DPW had diagnosed the problems and prescribed local management as a solution, replacing the state-administered system.

WHEELS translated the prescription into a viable, cohesive program. Under WHEELS' management, DPW has assurance that all eligible trips are provided, and that operating methods contain costs. Not only does DPW have assurance, but the Department also has access to comprehensive files available for verification, auditing, and planning.

DPW trip costs were as high as \$21.00 per trip - but WHEELS, in Fiscal Year 1989 anticipates a system cost of \$5.59 per trip. WHEELS brought its management into the age of high technology by acquiring state-of-the-art computerized processes to support recording and management of each step.

CONCEPT TRANSFERABILITY

Organization and Management

WHEELS is structured to respond to the needs

of its client, DPW. Urban human services bureaucracies characteristically have unmanageable case loads; the procedures are often cumbersome, and more than likely, they are understaffed. Welfare departments must frequently respond to court orders, political pressures, and to emergencies requiring immediate relief of human suffering. The urban social and political environments usually do not tolerate inefficient contractors who make too many mistakes.

WHEELS is structured to ultimately ensure:

- Safe and cost-effective transportation to clients;
- Program planning, both long-term and short-term, thus allowing for flexible response;
- Monitoring, cost containment, and quality control; and
- Data management and coordination with the client, the carriers, and with the key constituents through the Board and Advisory Committee.

Quality Control

The service monitoring and evaluation function is critical to risk management, cost containment and WHEELS' quality standards.

- Trouble-shooters in the Operations Department monitor the paratransit providers daily. They receive reports of service difficulties, have authority to reassign trips, and directly instruct carriers.
- Inspectors review drivers' and dispatchers' performance, inspect vehicles, and prepare quarterly reports.

The monitoring system also requires reviews of invoices, as well as processing complaints.

Cost Containment

The Modal assignment strategy, described earlier, is a concept applicable to systems responsible for a wide variety of transit and paratransit modes.

Exhibit A

ORGANIZATION OF WHEELS INCORPORATED
for the
MEDICAL ASSISTANCE TRANSPORTATION PROGRAM

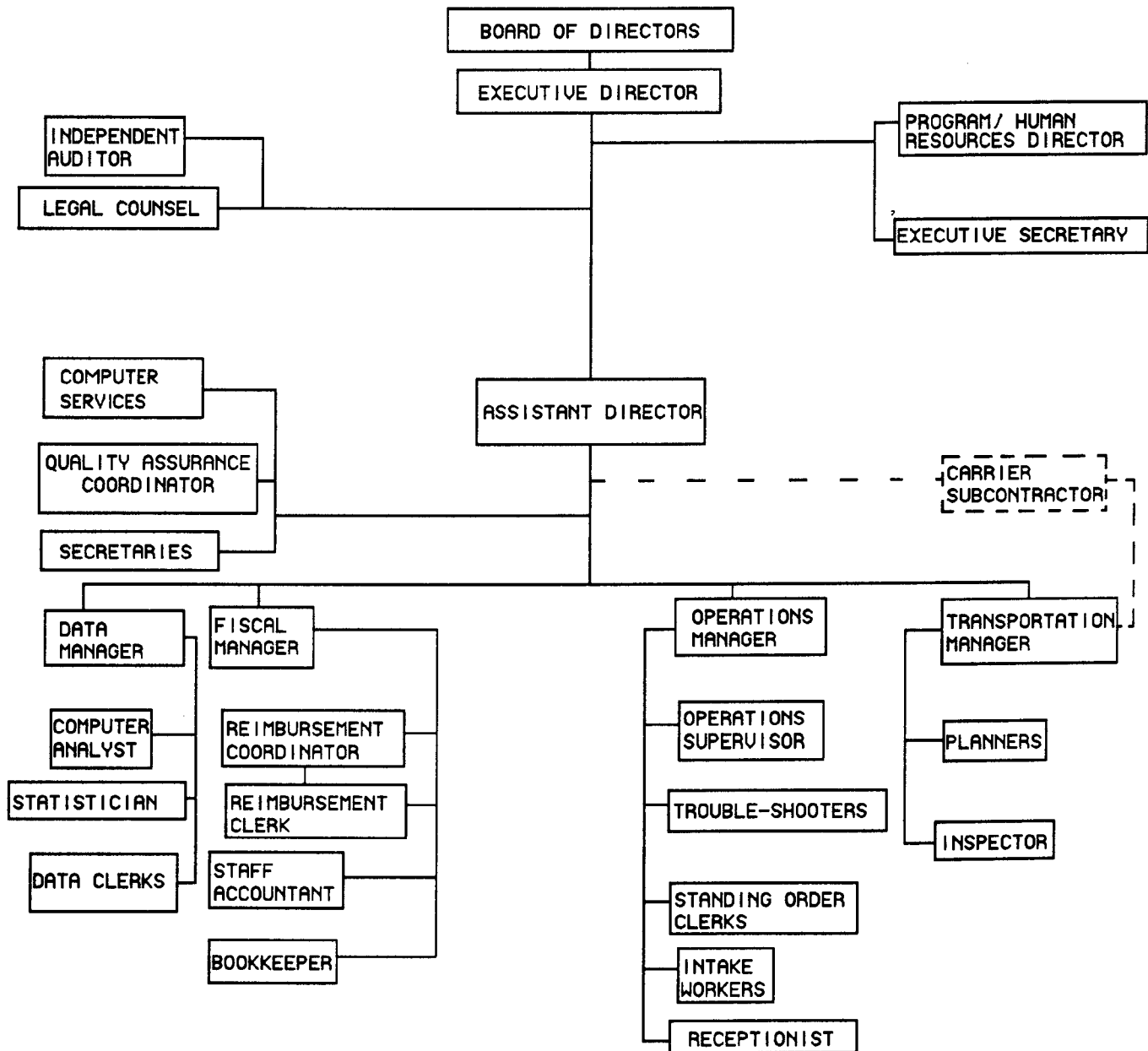


Exhibit A (Cont.)

PROGRAM PLANNING AND MANAGEMENT

Overall responsibility for the Philadelphia MATP is held by WHEELS' Executive Director and Assistant Director. These Directors, together with the Program Director, formulate program plans and manage implementation of the entire program. They interpret DPW policies and guidelines, designing procedures and practices and assigning responsibilities to the staff. They act as liaison with DPW officials and obtain all necessary approvals from the Department, as well as from the WHEELS Board of Directors. They act for the program in all public presentations.

To manage and direct WHEELS' heavy involvement in almost every program activity, the Assistant Director is named as Project Manager. He supervises all aspects of daily implementation of the program, and maintains close contact with all organizations which are party to the program.

Professional Staff for MATP Program

WHEELS' professional staff for administration of the Medical Assistance Transportation Program in Philadelphia consists of one person in each of the following positions: Executive Director; Assistant Director/Project Manager; Program Director; Fiscal Manager; Transportation Manager; Data Manager; Operations Manager; and Quality Assurance Coordinator.

Program Responsibility and Relevant Experience

Executive Director, Sonia L. Shimer - Responsible for overall supervision of the program; coordinates future program development efforts; resolves problems with existing programs and organizations; maintains effective relationships with client agencies and other external organizations; provides interface with, and direction to, legal counsel; and reports to the WHEELS Board of Directors.

Assistant Director/Project Manager, Reginald K. Knowlton - Responsible for the overall achievement of the stated objectives for coordination of DPW's Medical Assistance Transportation Program in Philadelphia; primary liaison with DPW staff; submits monthly invoices and service reports; defines program requirements to WHEELS' line managers and staff; directs management of program and program staff; management of relations with subcontractors, including negotiation of subcontracts and monitoring performance; design and implementation of contracted programs; and provides assistance to Executive Director in external and Board relations.

Program Director, Suzanne Axworthy - Responsible for program planning and development, including long-range planning and integration of programs; external relations with, and monitoring of, organizations and programs offering opportunities for furthering goals; review and further development of internal operations and management; staff development and personnel policies; and direct assistance of Executive and Assistant Directors in program design, management, and external relations.

Transportation Manager, John Rolkowski - Responsible for efficient scheduling and use of lowest-cost transportation modes; field monitoring of program services; supervision/monitoring of carrier adherence to specifications for equipment, driver training and qualifications, and performance; assistance with negotiations with subcontractors and development of contract specifications; and staff/driver training in Passenger Assistance Techniques.

Data Manager, Steve Duffy - Responsible for management of data collection and statistical analysis, including client, subcontractor, and program data; record keeping, reporting and generation of client reimbursement payments; primary contact with consultant for computer system maintenance.

Operations Manager, Carolyn Adams - Responsible for eligibility determinations; supervision of reservationists and monitoring of in-service problems; determination of medical service provider eligibility/applicability to any client; staff training with respect to operational policies and procedures; supervision of reception and telephone operations.

Fiscal Manager, D. Steven Edwards - Responsible for accounting, financial reporting, disbursements to subcontractors and coordination of audits; financial analysis and technical assistance to staff budget planning and review of performance; cash management and investment analysis; liaison with subcontractors on fiscal matters; participation in the development of contractual terms for subcontracts and in negotiations with carriers.

Quality Assurance Coordinator, Francene D. Brown - Responsible for insuring quality of delivery of paratransit services in accordance with program standards; analysis and evaluation of carrier adherence to achievement of performance standards; recommendations for corrective actions to attain higher performance; assistance with evaluation of private carrier's bid proposals against quality criteria; liaison with medical sites on program performance; on-site observation of carrier performance; documentation of action and follow up on all complaints; provides assistance to Executive Director with external relations, including conducting workshops for consumers and meetings of MATP Advisory Committee.

Organizational Structure

As shown in the chart of Wheels' organization, WHEELS is organized along functional lines. WHEELS is guided by a volunteer Board of Directors, which also receives input from an advisory board which includes consumers. Day-to-day operations and all paid staff are under the Executive Director and the Assistant Director. Line staff report to one or four managers - fiscal, data, operations, and transportation. Additionally, the Quality Assurance Coordinator reports directly to the Assistant Director. The Program Director reports to and receives direction from the Executive Director.

Reference should also be made to the distribution of staff activities shown in the chart.

Job Descriptions, Support Staff

The support staff has many years of relevant experience in the provision of paratransit services. The services performed under each job are summarized below.

Computer Analyst - Maintenance of the computer system; liaison with computer system consultants; design and implementation of internal and external reporting documents; production of all computer-generated reports.

Statistician - Analysis and verification of driver logs returned by carriers; generation and maintenance of all statistics related to transportation programs; determination of hours payable and trips completed in the program.

Data Clerk - Inputting of data into the computer system on trips actually provided by paratransit operators; initial analysis of these data.

Reimbursement Coordinator - Maintenance of reimbursement operations and procedures; liaison for WHEELS with medical service providers on resolution of problems; obtaining current program information from those providers; preparation, recording, and execution of reimbursement checks; delegation and coordination of work of division.

Reimbursement Clerk - Verification and processing of MATP client and mileage claims; provision of eligibility forms to applicants and clients; provision of information and instructions to clients concerning client and mileage reimbursement.

Staff Accountant - Preparation of all journal entries; maintenance of all journals relating to a specific program; any and all reconciliations required.

Bookkeeper - Payroll records; processing of all invoices; generation of checks.

Operations Supervisor - Monitoring of the work load of operations staff; coordination with Transportation Department of computer entries of cancellations and deleted reservations; authorization of adjustments to service schedules to meet daily service problems; initial receipt of client, carrier or medical service provider complaints; research and follow up action on complaints; referral of complaints to the quality assurance coordinator when appropriate; coordination of acquisition and maintenance of office supplies and equipment; assistance to manager in training of operations staff.

Troubleshooter - Monitoring of in-service problems of paratransit operations; liaison among clients, carriers and medical service providers concerning day-to-day operating problems, such as vehicle breakdowns, delays, client no-shows or cancellations; replanning of client trips to respond to such in-service events.

Standing Order Clerk - Receipt and processing of requests for trips under standing orders (subscriptions) verification and input of client and program data; processing of requests for revisions to standing orders; maintenance of contact among clients, medical service providers, and paratransit schedulers concerning standing orders.

Intake Worker - Receipt and processing of transportation requests from clients or their authorized representatives; input of requests in computer terminal; verification of eligibility of requests; input of client maintenance information, with review for verification of eligibility and accuracy; referral of problems to operations manager; instruction of requesters on further information and verification needed, if any.

Receptionist - Initial receipt and screening of office telephone calls; reception of visitors; receipt, dating, and logging-in of applications for Medical Assistance transportation.

Planner - Using computer-assisted procedures, scheduling of paratransit vehicle operations; preparation of scheduled tour of each vehicle; assignment of tours to vehicles of specific carriers in accordance with subcontractor's modal and zonal assignment; responsibility for assignment of each trip to lowest-cost paratransit mode; review of schedules for further refinement; printing of each vehicle schedule; registering each carrier's receipt of schedule prior to day of operation.

Inspector - Monitoring of paratransit carriers' adherence to vehicle, driver, and performance standards; inspecting all paratransit vehicles, as scheduled or without prior notice; temporary or permanent removal from service of any vehicle or driver not in conformity with standards; maintenance of vehicle rosters and driver abstracts, including assurance of their receipt from carriers; receipt of certificates and monitoring of currency of carriers' insurance; on-site observation of carrier dispatching; reporting and offering suggestions to management concerning vehicle and driver standards, deployment of fleet, and operating practices.

Location of Staff

All of WHEELS' professional and support staff are located in, and work from, the WHEELS offices at 919 Walnut Street in center-city Philadelphia.

Exhibit B

COMPUTER FUNCTIONS

The principal function served by each of the 14 basic program may be summarized as follows:

Menu 1	Client File:	Enter/maintain identifications of individual clients
Menu 2	New Service Requests:	Enter client's request for non-standing order (i.e., non-recurring trips)
Menu 3	Standing Orders:	Enter/maintain client's requests for standing order (i.e., recurring trips)
Menu 4	Service Request Maintenance:	View/edit a client's trip request
Menu 5	Scheduling:	Create a schedule - a "tour" - for a specific vehicle for a specific date
Menu 6	Trip Status Input:	Record "after-the-fact" tour data (e.g., actual pick up time; total daily hours of vehicle service; etc.)
Menu 7	Administration:	Print daily vehicle schedules and create/print reports needed to manage the day's service and future scheduling
Menu 8	Maintenance:	Maintain and store files and records
Menu 9	Monthly Processing:	Prepare summaries of services for statistical and billing purposes
Menu 10	Labels:	Print mailing labels for selected groups
Menu 11	Financial:	Process and record reimbursements to clients who use public transit, taxicab or private automobile
Menu 12	Invoice:	Process pre-printed taxicab vouchers for reimbursements
Menu 13	Miscellaneous Report:	Generate/print reports on tour-hours. (estimated, actual, and analysis of estimate vs. actual)
Menu 14	Troubleshooting Maintenance:	Create and document real-time trip changes, including scheduling of rides to fit into an existing tour

Exhibit C

DESCRIPTION OF MODES

WHEELS subcontracted transportation services are dealt with as "Modes".

Mode 1 Reimbursement of volunteer-driven trips

Mode 2 Reimbursement (mileage) for use of private vehicle

Mode 3 Reimbursement for use of fixed-route transit

Mode 4 Reimbursement for non-prescheduled taxicab trip

Mode 5 Carrier-driven sedan for non-group, ambulatory

Mode 6 Carrier-driven van for group, ambulatory

Mode 7 Carrier-driven lift-equipped van for non-group, non-ambulatory

Mode 8 Carrier-driven lift-equipped van for group, non-ambulatory

Mode 9 Carrier-driven van for non-ambulatory with escort

Mode 0 Carrier-driven van for ambulatory with escort

REFERENCE

WHEELS, Inc., *Management of Subsidized Specialized Transportation in a Large Urban Area: The Medical Assistance Transportation Program in Philadelphia*, Presented at the 11th National Conference on Specialized Transportation, Sarasota, Florida, November 1988.

LISTS:

"NO FRILLS" BROKERING IN LANCASTER COUNTY, PENNSYLVANIA

BACKGROUND

The Lancaster Integrated Specialized Transportation System (LISTS) is a nonprofit broker of shared-ride, demand-responsive, door-to-door transportation in South Central Pennsylvania. LISTS coordinates the paratransit resources of Lancaster County, matching services provided by carriers with the needs of the transportation-disadvantaged.

Lancaster County has a population of about 381,000 individuals, with 45 percent residing in the rural farm land surrounding Lancaster City and its urbanized area. An estimated 42,400 elderly and 13,500 transportation-handicapped persons reside in Lancaster City.¹ The area faces a constant challenge because movement by public transportation between Lancaster City and its medical and municipal facilities and the city's rural centers is hindered by long distances and low-demand density.

Institutional Framework

In 1974, the Lancaster County Office of Aging, Community Action Program, Handicap Pre-school, and Ephrata Area Rehabilitation Service notified the Pennsylvania Department of Transportation of their intention to apply for vehicle funding under the newly initiated Federal Section 16(b)(2) program. As a result of a study conducted by the United Way, the agencies decided to coordinate their use of services.²

The Lancaster County Planning Commission (LCPC), then, headed up a feasibility study for the provision of transportation services to the elderly, handicapped, low income and rural residents of the county. An ad hoc committee was formed and recommended the brokerage concept as the best method of providing transportation in Lancaster County. As a result, the Lancaster Integrated Specialized Transportation System (LISTS) was incorporated in July 1977 to serve as the transportation broker for the area.

In May 1982, LISTS was designated the sole

provider for a transportation system in Lancaster County under the State's lottery funding for transportation. Each county applies for these funds directly to the State Department of Transportation, and in Lancaster County, application was made by the Lancaster Board of Commissioners.³

PROGRAMS AND SERVICES

To facilitate service delivery, LISTS divides the County into five rural sectors and a city sector. In an annual competitive bidding process, one carrier is chosen to serve each sector for a one-year period.

Throughout the six-sector service area, 60 human service agencies contract with LISTS for the provision of transportation services. LISTS has developed a fare schedule for agencies, reflecting the carriers' bid prices and a 15 percent surcharge. The largest client served by the system falls under the sponsorship of the Lancaster County Office of Aging.

LISTS currently coordinates between 27,000 and 30,000 trips per month. The types of trips provided are:

- Local-center service to and from Office of the Aging centers; and
- Local-rural and local-urban services, which allow patrons to travel between a rural sector and Lancaster City. Several types of services are provided only on specific days of each week, for the purpose of maximum ride-sharing.⁴

Recently LISTS began providing feeder service to mass transit depots for clients who require specific medical treatment in neighboring counties. The broker also arranges with paratransit providers in other counties to transport clients to their final destination.

Coordination with the Fixed-Route System

The Red Rose Transit Authority (RRTA), the publicly owned and operated bus system in Lancaster County, also has a contract with LISTS to coordinate its user-side subsidy program, SET (Special Efforts Transportation). Under SET handicapped persons can use LISTS to travel anywhere in the Lancaster City sector. Through this program, the RRTA meets the UMTA Section 504 requirements or service to the handicapped, without the added expense of retro-fitting its buses with lift equipment.

The non-ambulatory person using SET is transported by a local taxi company and pays 80 cents for the trip. The RRTA pays to LISTS the remainder of the cost of providing the trip.⁵

AdVANce - Reduced Fare Program

The State's reduced-fare program, AdVANce, provides advance reservation ride-share and demand-responsive service to any handicapped person and persons age 65 or older who live at least one-quarter of a mile from a bus route. The State reimburses the county 75 percent of the cost of each trip.

Because the Lancaster County population has traditionally had a conservative, independent lifestyle, government-subsidized programs are sometimes rejected on philosophical grounds. LISTS staff have found that reaching elderly persons not affiliated with human service agencies is difficult, particularly in rural sectors. For this reason, LISTS markets the Reduced Fare Program as a discount for the elderly, rather than a subsidy.⁶

BEST PRACTICES

As a "no frills" broker, LISTS is committed to providing the best service to the elderly, low income, handicapped and others in Lancaster County, Pennsylvania at the lowest possible costs. LISTS concentrates on coordination and leaves service planning, outreach, and regulatory functions to the agencies.

Low Per-Trip Transportation Costs

LISTS has kept its commitment to the county by maintaining low per-trip and administrative costs. The low per-trip cost, averaging \$3.94 including a 15 percent surcharge, is engendered by a very competitive network of carriers within each sector. LISTS sends its annual request-for-

bids package to every carrier licensed by the Pennsylvania Utility Commission operating in the County. Bids are awarded on the basis of price, service quality, and the ability of the carrier to provide the necessary service. Contracts are awarded for a one-year period, although longer contracts for carriers are now being considered. Although not-for-profit carriers are eligible to submit bids, all of the carriers contracted by LISTS to date have been for-profit taxi and van companies.

Carriers are required to send all drivers involved with LISTS service to a driver sensitivity training session at the carriers' expense. Carriers are also required to purchase insurance coverage, which must meet or exceed the minimum established by LISTS.⁷

The Challenge

To maintain this system, LISTS must balance the service requirements of the agencies against the carrier's desire for cost-cutting. Agencies want low transportation costs and quality service, i.e., sensitive, well-trained drivers and responsive schedules.

Carriers, on the other hand, want to serve as many people as possible during each hour of operation. They want good drivers, but cannot afford to pay salaries above those which a competitor might pay. They also would like agencies to cooperate with them in scheduling trips for maximum vehicle productivity.

The broker is the agent through which these desires are balanced. To meet agency demands, LISTS has service standards that meet the minimum requirements of agencies for service. LISTS has also set up complaint procedures, which provide for communications from an agency to a carrier. LISTS asks agencies to adjust their schedules for productivity reasons, but an agency is under no obligation to do so. An agency that cannot adjust, however, usually must pay a higher cost of service.

To increase carrier productivity, LISTS preschedules many of its own trips, with maximum ride-sharing as a goal. In rural sectors, LISTS service is available Monday through Friday. Evening and weekend service is also available by special request. In Lancaster City, LISTS service is available to agencies seven days a week.

Demand for direct-line trips, the most costly LISTS provides, is channeled into two or three days. Services are provided on the same day each week. Using LISTS may result in an agency

having to schedule its client trips around LISTS' schedule, rather than vice versa. This procedure allows LISTS to increase ride-sharing and reduce costs.⁸

Administrative Costs

LISTS' administrative costs are low because its administrative activities are kept at a minimum, and its administrative staff has been kept small. Administrative expenses accounted for 12.5 percent of the total LISTS costs in fiscal year 1987-1988. Providers' administrative costs are totally funded by the 15 percent surcharge affixed to the carriers' rates.

Limited Administrative Activities

LISTS has been able to limit its administrative activities by certifying eligibility only for non-agency sponsored individuals using the AdvANce program.

Agencies are responsible for certifying client eligibility for all trips they sponsor, including AdvANce trips; the broker engages in no regulatory activities. LISTS monitors carriers' performance through complaint procedures, and by having a staff member ride with each carrier. Moreover, LISTS schedules only a segment of its trip requests, allowing carriers to schedule the remainder.⁹

LISTS' Administrative Staff

The LIST program is administered by a staff of four. The Executive Director, responsible to the Board of Directors, is the agent through whom Board policy is put into operation. The Executive Director manages LISTS' external (primarily carrier contracting and policy-related interactions with agencies) and internal operations and supervises the staff.

There are three staff members other than the Director: a bookkeeper/administrative assistant, who handles all fiscal matters, and two scheduler/receptionists, who schedule trip requests and changes, and manage the provider's complaint procedures.

A chartered corporation, LISTS corporate business is managed by its Board of Directors. The 9 to 15 members of the Board are drawn from Lancaster County, Lancaster City, the Lancaster County Planning Commission, the elderly, the handicapped, low-income population, human service agencies, transportation providers, and other interested citizens. The Board is responsible

for LISTS policy and procedures. Committees coordinate the Board in the areas of nominations, evaluation and review, finance, public relations, operations, and personnel. The Board also directs the hiring of the provider's staff.¹⁰

RESULTS

Coordinated specialized transportation is being successfully brokered in Lancaster County, Pennsylvania by LISTS. In this rural area, where expectations are clear and uncomplicated, the provider has met its commitment to provide transportation service to its large rural community at the lowest costs possible.

Lancaster County, in choosing a brokerage system, has enhanced private sector participation in South Central Pennsylvania. The private providers have a single point of contact for Federally funded programs, rather than having to deal with the diverse requirements and procedures of multiple agencies.

Moreover, LISTS has been able to focus its attention on coordinating transportation, without the added burden of relying on government funds to cover operating deficits. Thus the creation of a self-supporting, efficient, coordinated specialized transportation system in Lancaster County has been achieved.

CONCEPT TRANSFERABILITY

LISTS' "no frills" approach offers lessons that other providers may want to replicate, particularly, if they service a large rural population. Characteristically, rural paratransit requires special institutional responses, because of low trip densities and large service areas. LISTS has successfully met this challenge:

- The competitive network of carriers, and the limit placed on travel between sectors has kept costs low;
- LISTS has deftly managed service requests in order to group trips and control costs. Certain services are restricted to specific days of the week. Because of service limitation, some agencies use LISTS to supplement their services, while for others, LISTS is their primary provider.
- LISTS demonstrates the feasibility of coordinating with a fixed-route system.

The low cost of the program indicates that paratransit systems are reasonable alternatives for transit authorities seeking efficient ways to service the disabled. (In large urban areas, union concerns may alter the feasi -

bility of using private providers.)

- LISTS experience is valuable in assessing the balance between service delivery and administrative costs.

AREA AGENCY ON AGING OF SOUTHWEST ARKANSAS, INC

BROKERING SOCIAL SERVICES TRANSPORTATION

BACKGROUND

Little towns named Delight, Dills Mills, Red Bluff, Hope, and Newhope dot Southwestern Arkansas. The 12-county region has an area of about 8,800 square miles, and is primarily rural and sparsely populated. The region's total population is 234,000, and only five towns have more than 5,000 residents. There is an estimated 53,000 elderly in the area. It is here that the Area Agency on Aging of Southwest Arkansas, Inc. (AAA-SA) provides transportation services. More than half (57.8 percent) of its clients come from rural towns with populations of less than 5,000.

The AAA-SA is a private, nonprofit agency responsible for funding and tracking a variety of social services programs for elderly persons. Founded in 1973, it has been involved in transportation brokerage activities from the onset.¹¹

The very old are the fastest growing segment of the population for the area. Persons 85 years and older are projected to increase by 43 percent in the 10-year period between 1980 and 1990.¹²

In 1988, service contractors provided transportation to 2,568 individuals. A total of 247,865 units of transportation and 12,217 units of escort service were delivered. Primary terminal points continued to be shopping and business locations, senior centers, medical facilities, and special activity trips.¹³

Over 47 percent of the clients were 75 years old and over in 1988; over 85 percent were female; and over 65 percent were minorities. The vast majority (68 percent) were single-person households. Serious physical disabilities were reported by 18 percent of the clients. Most clients live in poverty - 76 percent have annual incomes of \$5,000 or less. The services assisted individuals to remain in their own homes and communities.¹⁴

PROGRAMS AND SERVICES

Approximately 1,200 clients each week utilize the transportation services arranged by the AAA-SA. The average individual client trip is slightly less than four miles. Total weekly services average between 15,000 and 16,000 miles. Serving as a broker, AAA-SA provides approximately 800,000

miles of transportation services per year through its contract transportation providers.

The contractors usually operate from 8:00 a.m. to 5:00 p.m. Monday through Friday. Riders are normally required to give 24 hours advance notice to arrange for reservations. All scheduling is handled by the contractors, who are required to submit routes when they are bidding for contracts. Drivers are required to keep daily logs in order to track passengers.

Most of the transportation provided is door-to-door over fixed or modified routes. In the two largest cities, demand-responsive transportation is available for medical reasons only.

Vehicle Procurement and Maintenance

The contractors who provide transportation services for AAA-SA operate 38 vehicles (two additional vehicles are used as spares). Four of the 15-passenger vans are lift-equipped for wheelchairs. The average age of the contractors' vehicles is six years.¹⁵ The AAA-SA purchased seven of the vans, and leases them to its contractors. The 23 other vehicles were purchased by the contractors.

The AAA-SA's procurement policy is to purchase only new vehicles. Initially, funding for capital purchases had been provided through the Title III program, but in recent years, the focus of the source of funding was changed to UMTA's Section 16(b)(2) program.¹⁶

The AAA-SA's own centralized maintenance shop, established in 1987, is equipped to do all types of repair work, including body work and engine rebuilding. By handling its own maintenance, the AAA-SA expects a savings of over \$25,000. All work is done by one full time mechanic and an older part-time mechanic, sponsored by a job-training program.

Because many of its vehicles are older, and because of limitations in funding for capital purchases of rolling stock, vehicles are sent in for re-conditioning when they begin to deteriorate. In the past year, more than a dozen of the vehicles were re-conditioned.¹⁷

Staffing

Four persons employed by the AAA-SA are involved in the administration of a variety of social service programs, including transportation. They are the Executive Director, two accountants with fiscal control responsibilities, and an Executive Secretary. Contractors have similar managerial staffing patterns to handle program administration locally.

Because the AAA-SA is strictly a transportation broker, drivers work for the contractor. Prior to being hired, drivers are required to pass a physical examination (administered annually) and undergo a verification of their driving records. They are then required to complete training in Passenger Assistance Techniques (PAT), given by the State Division on Aging, and Defensive Driving, coordinated through the Arkansas Transit association. The executive Director of AAA-SA holds a position on the Board of the Transit Association.¹⁸

Funding

Section 16 (b) (2) monies make up 80 percent of AAA-SA's capital funds; the State provides about eight percent; and the remaining 12 percent comes from a combination of private donations, fundraising activities, and appropriations from local, city, and county governments.

The AAA-SA's annual operating budget for transportation services is approximately \$500,000, of which about 85 percent comes from Title III of the Older Americans Act and the Social Services Block Grant under the Social Security Act. State and local governments provide approximately 12.5 percent of the funds provided through Social Services Block Grants.¹⁹

Private donations average about \$8,000 annually. No funding is obtained from foundations, since there are none of any size in the region and scarcely any in the State.

In-kind services available to AAA-SA are in two forms. First is assistance provided by volunteers who serve as escorts for riders needing assistance. In addition, in two of the counties, the AAA-SA obtains gasoline from the county government at reduced prices. Contractors occasionally provide maintenance help locally.

The Agency has solved a major problem - how to secure sufficient funds to buy new vehicles to replace an aging fleet. When State Area Agencies on Aging were awarded rebates from earlier oil overcharges, AAA-SA was able to purchase 15 new vans.

Self-Insurance Program

The AAA-SA maintains general liability insurance for its own organization, and brokers contractors' purchase of insurance on a group basis.

For the first 10 years of operation, there were no problems with insurance, but in 1985, the AAA-SA changed carriers after the previous insurance company proposed a 300 percent increase in premiums.

Because of drastic increases in insurance costs, the agency is participating with the State of Arkansas in structuring a self-insurance program for public transportation. It would allow for stabilization of premiums and building of reserves for possible rebates or reductions. Texas and Oklahoma have expressed interest in this type of self-insurance program.²⁰

BEST PRACTICE: BROKERING SUPPORTIVE SOCIAL SERVICES

The AAA-SA contracts with a variety of contractors to provide necessary social services for its clients. Many of its contracts involve multi-purpose services, including transportation. All of its contracts are awarded competitively, with RFP's being issued every two years. Annual contracts are then awarded to the lowest bidder, with an option to extend for an additional year, if performance is satisfactory.²¹

Once clients have been set up to receive services, the role of the AAA-SA is strictly limited to monitoring services. The agency, however, is not involved in the day-to-day operations. On a monthly basis, the agency issues a pre-printed report to the contractor to collect information from them regarding services provided.

For transportation activities, these turn-around sheets list the person's name, date, ride, and reason for service. The latter is divided into four categories :

1. Transportation to senior centers for nutrition or recreation;
2. Shopping and personal business;
3. Medical appointments or therapy; and
4. Special transportation for outings or group recreational activities.

During its formative period, the AAA-SA had to resolve a variety of problems to facilitate its efficient functioning. For example, the Agency had to develop appropriate contract mechanisms to ensure that performance could be monitored and evaluated. Secondly, No feasibility studies had ever been conducted in the region, and no information was available on ridership demand. The Agency had to gather census information to determine potential routes based on population concentrations. Later, AAA-SA adjusted routes according to actual demand.²²

The primary operational problems related to its transportation services that were encountered in recent years pertained to maintenance and insurance. Operating its own maintenance facility, and participating with the State in the proposed self-insurance program could significantly reduce these problems.

In the opinion of the Director, the brokerage approach works very well. The contractors have demonstrated both their own and their employees' commitment to provide quality service to their clients.

RESULTS

Provision of transportation services for elderly and handicapped persons through a brokerage agency is common practice. However, the AAA-SA operation is considerably more centralized, particularly for purposes of managing insurance and maintenance costs, than is typical. Therefore, it is able to carefully manage and effectively use its limited financial resources to provide essential services which would not otherwise be available to a needy rural population.

Efficiency is increased by linking transportation services with various related social services for the elderly and disabled. In this way, no one service operates in a vacuum and, by being coordinated, these services support each other. This coordination is in the best interest of the clients, who are encouraged to maintain their independence and control of their lives.

The AAA-SA has demonstrated its effectiveness in assisting clients by its excellent record of utilizing its medical evaluation program to reduce the rate of institutional admissions to the lowest levels in the State. By being less reliant on the system, its clients are able to maintain their dignity and lead more productive lives. At the same time, considerable financial resources from government programs, which would otherwise be used to pay the high costs of institutionalization, can instead be transferred to other

worthwhile social service programs, including transportation, thus providing services to a larger sector of the population in need.²³

CONCEPT TRANSFERABILITY

The AAA-SA's commitment to assist individuals to remain in their homes and communities is common to most AAA's. Providing transportation, or the funding for transportation, is an integral part of this commitment. AAA-SA decided to broker its transportation services. In order to determine the most effective and efficient way to provide transportation services, there are certain interrelated variables to be considered by the AAA.

- Community Setting: The urban elderly generally have more transportation services available to them, at least on a per capita basis, than their rural counterparts. In rural areas, the AAA may, or may not, find only one provider for any purchase of service (often a CAP agency).
- AAA Designation: If the AAA designee (or major contractor) is a unit of general purpose government (i.e., county or city), it generally uses its own resources to provide transportation. In other cases, the AAA is responsible for providing vehicles to the providers.
- State Role: The guidance and direction given by the State Agency on Aging and by other State agencies, dealing with either transportation services or social services for the elderly, are important. They can strongly influence the relationships among local agencies, and the manner in which the AAA provides or purchases transportation service for the community.
- Local Conditions and Organizational Structure: Unique local conditions can dictate how AAA's provide transportation services, and how community transportation providers interact. Most State Agencies on Aging encourage local AAA's to set their own funding priorities within overall State and Federal guidelines. The availability of transportation alternatives can profoundly impact local AAA's' perspectives on which type

of transportation service to provide.
In a community with adequate medical

transportation, planning would focus on
other types of transportation.

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**PUBLIC COUNTY AND REGIONAL
PARATRANSIT SYSTEMS**

JAUNT:

BEST PRACTICE IN RISK MANAGEMENT

BACKGROUND

Nestled in the foothills of the Blue Ridge Mountains is the city of Charlottesville, Virginia, homebase for the Jefferson Area United Transportation, Inc. (JAUNT), a consolidated system. JAUNT serves more than 70 human services agencies, the elderly, the disabled, low income families, and the general public in a five county area.

The Jaunt system was born out of a consortium of human services agencies, and it is this factor which has led to its continued strength and viability. The transportation system, a public service corporation, owned by the city of Charlottesville and the counties of Albemarle, Fluvanna, Louisa and Nelson, was designated in 1982 by the Metropolitan Planning Organization to be the sole human services transportation provider. This had the important effect of discouraging agencies from purchasing their own vehicles or providing their own transportation - a factor which ensured the future of Jaunt.

During fiscal year 1987-88, JAUNT served 159,070 passengers under contract to the Federal and State Governments through the Urban Mass Transportation Administration (UMTA) Section 9 and Section 18 grants. JAUNT applies yearly for the Federal grants to the Virginia Department of Transportation (VDOT), designated the lead State agency by the Governor. The VDOT has two coordinators who oversee the grant money. One of the coordinators administers Section 16(b)(2) grants, and facilitates human service coordination statewide. JAUNT interacts with the coordinators who administer 11 Section 18 and Section 9 grants. This staff person provides technical assistance, and is a non-voting member of JAUNT's Board of Directors.

Virginia also has an interagency Coordinating Council, composed of 10 State agencies, which evaluates Section 16(b)(2) grant applications.

PROGRAMS AND SERVICES

JAUNT provides the public and human service transportation, briefly described below:¹

Public Service

During the first six months of the 1987-88 fiscal year, JAUNT served 34,636 passengers, under contract to Federal and State government through UMTA Section 9 and Section 18 grants.

- Door-to-Door Service - Services are provided to residents of the City of Charlottesville and Albemarle County. In Charlottesville a passenger must be certified as a handicapped rider by the Charlottesville Transit Service. All riders pay a set fare per trip. In both localities, passengers must schedule their ride one day in advance. The county is divided into zones and the fare depends on the origin, destination, and the day of the week. Elderly and handicapped riders pay reduced fares.
- Flexible Route Service - Services are provided on a scheduled basis from rural county areas to Charlottesville, primarily for commuters. Passengers pay pre-set fares for each trip in cash or with a weekly pass.

Agency or Contract Service

JAUNT served an additional 48,909 passengers during the first six months of fiscal year 1987-88. JAUNT dispensed this service through 75 organizations, of which seven are under formal agreement or in negotiation with JAUNT.

- Scheduled Group Subscription Service - Groups may purchase service with van and driver at an hourly fee. Service may be scheduled periodically (daily, twice

weekly, etc.) or occasionally (for field trips, special activities, etc.). Fares recover direct operating costs. Public and other agency passengers may also be served, depending on schedule and passenger load.

- Scheduled Demand-Response Service - Services with van and driver may be scheduled 24 hours in advance of travel time for individual riders. Service schedules are devised by JAUNT using travel origin and destination locations, coupled with destination time, to maximize operating efficiency and minimize customer inconvenience. Fare information is recorded for each individual rider, because fares are charged on an hourly basis, divided by the number of passengers having similar origins and destinations.
- Scheduled Van Use - Agencies may hire vehicles and use their own drivers. Vehicles must be scheduled to ensure availability. JAUNT cleans and fuels each vehicle before use and inspects after use. Non-JAUNT drivers must be screened, approved and trained by JAUNT. Charges for vehicle use are based on mileage plus a percentage for insurance.
- Shuttle Service - Scheduled service is provided by subscription over a fixed route. The charge is by the hour, regardless of the number of passengers. Non-subscribing passengers may be scheduled on subscription trips if they can be accommodated.
- Scheduling of Passengers on Rural Commuter Routes - Agency passengers are scheduled on flexible routing. Agencies pay a fare 1.5 times higher than the fare for public riders to reflect the full cost charged to agencies.

Rideshare Coordination

By using an information network, JAUNT supplies ridesharing coordination services to the public of the greater Charlottesville region. The network matches prospective drivers and passengers.

The 29 vehicles in JAUNT's fleet have also

been used indirectly to bolster the economy and brighten the employment picture in the area. The transportation service teamed with the region's largest employer in an arrangement that enhances the economy of the county by reducing its jobless rate. In 1985, JAUNT began an outreach program to identify and meet the transportation needs of rural Nelson County residents who were jobless, principally due to the lack of transportation.

Growth and Expansion

At first glance it would appear that the system has experienced only moderate growth. But a look below the surface reveals a shift of services which accommodates the needs of the community. "From fiscal year 1985-86 to fiscal year 1986-87, JAUNT's total annual ridership of 160,000 remained relatively stable, increasing by about one percent. However, the number of public or self-paying riders increased from 43,725 to 63,594 (45 percent). During the first six months of fiscal year 1987-88, the dramatic increase in public ridership continued, and is approximately 41 percent of JAUNT's total ridership."²

JAUNT has initiated aggressive marketing and networking efforts:

- Marketing/Expanding Services - In order to give personalized service to rural riders, JAUNT hired outreach workers to market services in rural areas. According to the transportation system's own assessment: "The community-based bus program offers a JAUNT van to any community group willing to sponsor public transportation to its residents. The sponsoring group finds a driver (volunteer or paid by the sponsor) who is approved, trained, and supervised by JAUNT. The sponsoring group pays JAUNT a monthly "rental fee" to partly cover insurance costs and a low per-mile fee (for miles traveled in their use) to cover maintenance. The sponsor also pays for the gasoline. The vehicle stays in the community and is used at its discretion (JAUNT must have a schedule of trips in advance and certain records are required). This project has been piloted successfully in rural Alabama, and in suburban areas of Norfolk, Virginia. "We hope it will be a new option for rural folks in Central Virginia!", says Linda

Wilson, JAUNT's Executive Director.³

- Networking - Promoting Agency Satisfaction - In an effort to be more responsive to agency needs, JAUNT formed an agency advisory committee. According to JAUNT, "This committee will meet periodically to deal with issues related to service, operation, costs and funding or regulatory restraints that may impact on transportation for human service agencies."⁴

Evaluations are critical to JAUNT's continued success.

- Program Evaluation / Monitoring - JAUNT uses feedback from everyone involved in the delivery and use of its services. Yearly evaluations of services and drivers by the passengers and the contract agencies give the transportation system useful information upon which adjustments and expansions are based. JAUNT proudly points to its inventiveness and flexibility in meeting the needs of the local community. (Exhibit 1)

Successful transportation providers excel at monitoring costs. In an effort to reduce reporting requirements and minimize paperwork, JAUNT charges agencies for extra data requests - one of the recommendations of the Transportation Accounting Consortium.⁵ Standard reporting varies, quite naturally, with funding sources, and JAUNT reports to agencies passenger names, number of trips in the month, and costs (for Medicaid, the destination is required). "Agencies were calling and demanding, for example, specific dates and destinations, or trips and destinations on one specific day of the month", said the Executive Director.

JAUNT's improved billing system now uses an IBM-compatible Epson computer and custom designed software.

The Virginia Department of Transportation (VDOT) initiated a limited management performance study of JAUNT, Inc. The research focused on three aspects of JAUNT's operations:

- Financial management;
- Service performance; and
- Maintenance management.

The VDOT report determined:

"...Our overall conclusion, based on the findings of this study, is that JAUNT is an efficient organization providing effective transportation services to the greater Charlottesville region..."⁶

BEST PRACTICES

Risk Management

In nearly 12 years of operation, JAUNT has developed an impressive safety record. It has never experienced a serious accident or a serious passenger or driver injury. Three factors contribute to the system's exemplary record:

- Driver selection and training;
- Driver retention and motivation; and
- Vehicle Maintenance Management Program.

Driver Selection and Training

Of the 30 operators currently driving JAUNT vehicles, 5 are stationed in the counties, 7 are responsible for daily employment runs, and 18 operate from JAUNT headquarters in Charlottesville. In addition, some agencies provide their own drivers.

Driver Hiring Procedures

Effective risk management is clearly supported by sound and thorough personnel policies including driver employment. JAUNT's procedures are as follow:

- JAUNT developed an Application Form (Exhibit 2), which the applicant is required to complete in the office. (Staff can then ensure that the applicant is literate, because the job requires the preparation of trip records.)
- Previous experience with elderly/disabled persons is especially important.
- Staff review the applications and contact references.

- Applicants are required to bring copies of their motor vehicle driving records to the interview.
- JAUNT then checks for police records to ensure the absence of a felony or sexual offense.
- Applicants are required to have a physical examination conducted by a doctor selected by JAUNT. (There is no drug testing requirement at this time.)

Driver Training

Every new hire is required to become thoroughly familiar with the *Driver's Handbook* and with personnel policies. New drivers apprentice one week with experienced drivers, not only to learn routes, but also to observe Passenger Assistance Techniques (PAT).

All drivers, including volunteers and those hired by individual agencies, are required to take, within a few weeks of employment, a cardiopulmonary resuscitation (CPR) course, a defensive driving course (conducted by the Virginia Division of Motor Vehicles), and PAT training. The entire JAUNT staff participated in the PAT course. Drivers learn how to assist elderly and disabled riders safely, courteously, and appropriately. Staff members learn to recognize disabling conditions, to manipulate wheelchairs, and to use basic loading and unloading techniques for JAUNT's lift-equipped vehicles. The nationally certified PAT instructor is also JAUNT's driver trainer. Drivers are recertified in CPR, and all drivers have Red Cross-approved First Aid Certificates.

JAUNT provides on-the-job training, and has sponsored its first ROADEO, where drivers' skills are sharply honed through competition.

The Executive Director indicates JAUNT will soon implement two new Rural Transportation Assistance Program (RTAP) training programs: *Substance Abuse Awareness in Rural Transit*, and *Understanding the Capabilities and Needs of Special Passengers*.⁷

Driver Retention and Motivation

The stability of the driver force is essential to consistent and efficient service. The management of JAUNT continues to make a concerted effort to minimize job turnover among drivers. In addition, the administrative staff represents a stable work unit that has had minimal turnover.

JAUNT offers, and pays for, a liberal benefits package.

- Health benefits through Blue Cross/Blue Shield (employees pay for family coverage)
- Dental insurance
- Life insurance equal to one year's pay
- Long term disability
- Twenty dollars per month contribution to and Individual Retirement Account (IRA) -- employees contribute additional amounts if they prefer.
- Employee Assistance Program for permanent employees through the local Family Service Agency -- includes financial counseling, marital counseling, etc. Employees may go on their own, or JAUNT refers employees experiencing some difficulty. The availability of this service frequently prevents the necessity of firing an employee.

Safety ranks high on the list of the concerns of the system, and twice a year JAUNT holds safety meetings which are devoted to specific issues. A recent session trained the staff in the proper use of fire extinguishers. Keeping pace with new challenges for the specialized provider, JAUNT invited a registered nurse to speak about AIDS, and serving the needs of clients with AIDS. Safety meetings are a forum for recognizing safe drivers with safety awards and cash bonuses. In 1988, nine JAUNT drivers received first-time safety awards, and three drivers received their second-year awards.

The annual evaluation of drivers is related to salary increases. The provider has an Incident Report Form which is completed when accidents occur, or when there is a complaint against the driver. JAUNT has established a grievance procedure and an Accident Review Committee.

Vehicle Maintenance Program

Vehicle down-time can cut into the effectiveness of any transportation system -- a point which has not escaped JAUNT. Vehicle reliability, the extent to which vehicles can remain in service without inconvenience to passengers, is a measure of the quality of mechanical maintenance.

Vehicle reliability is usually determined by the number of vehicle miles between road calls. The Urban Mass Transportation Administration defines it as "any breakdown of a vehicle that results in the delay of passengers."⁸

JAUNT's performance was, in a word, *impressive*:

YEAR	ROADCALLS	VEHICLE MILES	VEHICLE MILES PER ROADCALL
FY87-88 (5 mos)	12	266,563	22,214
FY86-87	19	636,228	33,485
FY85-86	26	543,469	20,902

JAUNT logged a figure in excess of 20,900 miles per roadcall for two fiscal years and the total for fiscal 1987-88 promises to again exceed that total. This performance compares to a 1984 industry average of 6,603 miles per roadcall. The above record is even more exceptional when one considers the fact that the JAUNT fleet is composed of vans and converted vans that are not classified as medium or heavy vehicles. Such vehicles normally have unsatisfactory reputations for performance of brakes, electrical systems, and gasoline engine components.⁹

The foundation of JAUNT's safety policy is the performance of daily driver pre-trip inspections, plus routine preventive maintenance inspections at 3,000 mile intervals. The mechanic checks safety items, changes oil and filters, inspects tires and brakes, checks all fluid levels, and follows up on driver reports.

- The Assistant Executive Director manages vehicle maintenance and monitors equipment performance, maintenance costs, and vehicle availability.
- A contract mechanic performs about 75 percent of the maintenance, including inspections and all repairs, except engine and transmission rebuilding, body work, air conditioning repairs, wheel alignment and tire repairs. The rate is \$12 per hour, for an average of 30 hours per week, compared to \$35 per hour for vendor labor.
- The mechanic maintains a vehicle log, and a computer record is kept of all work performed and the cost. The resulting files are used to identify problem vehicles, expenses and repeat problems.

Maintenance cost are well controlled and extremely low compared to other transportation systems. JAUNT's cost falls within the range of 7.12 to 8.98 cents per vehicle mile. The industry average is 38 cents per vehicle mile.

CONCEPT TRANSFERABILITY

JAUNT demonstrates that "...risk management is much more than insurance and safety inspections."¹⁰ Effective risk management begins within a framework of written personnel policies and guidelines for all employees, with a special focus on drivers. The *JAUNT Drivers Handbook* is an important part of the *Personnel Policy Handbook*, and is incorporated into that policy. The Introduction to the *Drivers Handbook* concludes with the following statement:

"IT IS THE RESPONSIBILITY OF EACH EMPLOYEE TO READ AND OBSERVE THESE INSTRUCTIONS. YOU WILL BE HELD RESPONSIBLE FOR KNOWING AND UNDERSTANDING THE CONTENTS OF THIS HANDBOOK."¹¹

The content outline of the *Drivers Handbook*, described below, may be useful to other providers.

THE ROLE OF THE DRIVER - describes the essentials of behavior required of every JAUNT driver.

GENERAL PERSONNEL PRACTICES - includes discipline, conduct, use of alcohol and drugs, drunk driving convictions, review of driving records, and safety awards.

VEHICLE OPERATING PROCEDURES - covers pre-trip inspections, appropriate on-the-job attire, reporting procedures for vehicle problems, smoking policies, and the use of seatbelts.

RADIO COMMUNICATIONS - instructs on the correct use of radio to receive assignments and schedule changes, and to report problems, accidents or emergencies.

ACCIDENT AND EMERGENCY PROCEDURES - outlines procedures in case of accidents and passenger illnesses.

PASSENGER RELATIONS - describes the attitudes and behaviors drivers must master "...to become a successful operator and an asset to JAUNT."¹²

RECORD KEEPING - instructs drivers on completing the Daily Trip Sheets, Inspection Sheets, and Timesheets.

TRAINING - identifies training requirements within the first six months.

The *Handbook* concludes with a driver's job description and general information on personnel, attendance, leave, and holiday policies.

JAUNT's management recognizes that the "human factor" is the key to a successful operation. "It is JAUNT's policy to act with integrity

and justice toward each employee, recognizing his or her individuality as a human being and his or her right to fair, decent and understanding supervision."¹³ This fundamental orientation is reflected in a leave policy which includes paternity leave; a benefits package that supports assistance for troubled employees; and a policy that includes clear, fair disciplinary and grievance procedures. JAUNT's philosophy, personnel practices, and driver recognition program contribute to stability and the ultimate goal - providing efficient and effective specialized transportation services.

Exhibit 1

EVALUATION FORM SENT ANNUALLY TO HUMAN SERVICE AGENCIES

JAUNT Service Evaluation

I. BACKGROUND INFORMATION

1. Name of Service Agency: _____

2. Length of time using JAUNT services: _____ years _____ months

3. Do you pay for client's transportation? _____ yes _____ no
If you pay some and clients pay some, please explain:

II. EVALUATION OF JAUNT SERVICES

4. Overall, how responsive has JAUNT been to the needs of your agency's clients?
() Meets client needs.
() Does not meet client needs. Please comment.

5. Please comment on the quality of JAUNT's services. What are your thoughts about:
JAUNT personnel (e.g., handle problems well, polite)?

JAUNT's method of recordkeeping (e.g., billings, management of your agency's information)?

Handling of passengers? _____
Scheduling? _____
Dispatching procedures (arrival of vehicles at specified time)? _____
Adequacy of vehicles? _____

1

6. Have your clients offered comments about the quality of JAUNT's services?
() Yes () No
Please give examples that are representative of their comments.
Compliments: _____
Complaints: _____

7. JAUNT's current charge per hour is \$17.50. Do you feel this is an affordable fee for your agency/client?
() Yes () No

8. JAUNT'S Federal and State funding sources are no longer meeting JAUNT's needs for subsidy. The only other resource is local government funding. Would you be willing to lobby local governments for transportation funds to subsidize your agency/client costs?
() Yes () No

9. Have you encountered any problems with JAUNT's existing transportation services during the past year?
() Yes () No
If so, what are some recent problems with the services?
1. _____
2. _____
3. _____
If you indicated that there are problems with JAUNT's transportation services, what would you recommend to improve these aspects of the program?
1. _____
2. _____
3. _____

10. Whenever possible, JAUNT attempts to transport clients to different agencies at about the same time. Doing so lowers transportation costs to agencies and makes transportation more convenient for the client. A required condition for coordination is agency flexibility in scheduling appointments for its clients. Is your agency able to be flexible in scheduling?
() Yes () No

2

Exhibit 1 (Cont.)

11. JAUNT currently provides the following options for the provision of transportation. Beside each option are two spaces. Check the space under column "A" if you are aware this option is offered by JAUNT but have not used it. Check the space under column "B" if your agency has used this option. Leave the item blank to denote that your agency was unaware of the option.

A	B	
Aware of	Used the	
Option	Option	
()	()	Provision of a vehicle and driver at an hourly rate for agency groups.
()	()	Provision of a vehicle with charge by the mile for agencies that have their own drivers certified by JAUNT.
()	()	Provision of vehicles to human service agency groups for night and/or weekend transportation (e.g., transportation out of the area, field trips using agency driver).
()	()	Provision of transportation for individuals (e.g., dial-a-ride paid for by agencies or individuals).
()	()	Provision of fixed-route transportation (e.g., daily routes from rural areas into Charlottesville).
()	()	Coordination of shared-ride/carpooling services for clients who do not utilize JAUNT or other transportation services.

12. Additional comments: _____

III. ADDITIONAL TRANSPORTATION NEEDS

13. At the present time, what are your agency's unmet transportation needs (e.g., geographical areas, number of clients, type of vehicle, time-day of week/hour of day)? Be specific: _____

3

14. What are your agency's anticipated transportation needs? _____

15. Are your clients currently using other transportation services, excluding JAUNT (e.g., taxi, CTS)?
() Yes () No

16. To your knowledge, have they encountered any problems with these services?
() Yes () No

17. What are some of the problems they have encountered? _____

18. If JAUNT services were withdrawn, how would your agency provide transportation for its clients?
Check all that apply.

- () Purchase vehicle and provide own driver
() Pay volunteers to use their cars
() Leave it to the clients to provide their own transportation at their own expense
() Use taxis
() Use the Charlottesville Transit Service
() Reimburse clients who pay family or neighbors for rides
() Other

19. Please briefly summarize your thoughts about JAUNT's services: _____

THANK YOU.

- () I would like to receive a copy of the final results of this survey.

Name: _____

Address: _____

4

Exhibit 2

Date _____
JAUNT, INC.

DRIVER APPLICATION
(Please fill out in your own handwriting)

Name in full _____ Soc Sec No _____

Address _____ Telephone _____

Date of Birth _____ (this information will not be used in the decision to hire)

EDUCATION: (check which attended)
 Grade School _____
 High School _____ Did you graduate from High School? _____
 College _____ Did you graduate from College? _____

DRIVING RECORD:

- Do you qualify for or hold a valid vehicle operator's or chauffeur's license in Virginia? Number: _____
Valid until _____
- How many traffic tickets (not parking tickets) have you received in the past three years? _____ Explain _____
- How many traffic accidents have you had in the past three years? _____ Explain _____
- Has your license to operate a motor vehicle ever been revoked or suspended? _____ Explain _____

Have you ever been **convicted** of any violations of law other than minor traffic violations? (pending charges or convictions will not be used or considered unless they are substantially related to circumstances of the job) _____ Yes _____ No
If yes, please explain _____

REFERENCES: Give below the names of three persons not related to you whom you have known at least one year. The list should include at least one former supervisor.

Name & Phone Number	Address	Business
1 _____	_____	_____
2 _____	_____	_____
3 _____	_____	_____

1

FORMER EMPLOYERS (List below last four employers, starting with last one)

Date	Name&Address of Employer	Salary	Position	Reason for Leaving
From _____ To _____	_____	_____	_____	_____
From _____ To _____	_____	_____	_____	_____
From _____ To _____	_____	_____	_____	_____

Have you had experience or training in the following areas?, if so, explain below

_____ CPR	_____ Children's Groups
_____ First Aid	_____ Handicapped Individuals
_____ Defensive Driving	_____ Elderly Individuals
_____ Rescue Squad	

Details of above: _____

Are you a U. S. Citizen, or do you have an entry permit which allows you to work? _____

CERTIFICATION STATEMENT: (Please sign and date the following statement)

I certify that all answers to questions in the application are true, and I agree that my misstatements or omission of material fact will cause forfeiture on my part of all rights to any employment with JAUNT, Inc.

_____ Date _____ Applicant's Signature

MONMOUTH COUNTY, NEW JERSEY

"PRIVATIZATION": COORDINATING PUBLIC AND PRIVATE SPECIALIZED TRANSIT

BACKGROUND¹⁴

Monmouth County, located 50 miles south of New York City, has a growing population of 550,000 residents, and, from one end of the County to the other, land use is diverse. The County's 471 square miles include urbanized small cities, suburban townships and rural farmlands. About one-third of the County, designated as rural, is eligible for Urban Mass Transportation Administration (UMTA) Section 18 funding. New Jersey Transit Corporation operates passenger rail service, linking the North Jersey Shore with Newark and New York City. The Corporation also operates a commuter bus service along the North-South corridor, and subsidizes a local bus system throughout the County.

Since 1976, the County has operated a paratransit program, Special Citizens Area Transportation (SCAT), for seniors, disabled persons, and the rural general public. Most trips were for food, shopping, and non-emergency medical transportation. At that time, human service agencies offered transportation services for their clients under UMTA 16(b)(2).

In 1979, a Community Services Council urged consolidation of present and future programs, combining coordination with public and private non-profit transportation providers. The report pointed out the value of contracting with private carriers.

The County's first application for UMTA Section 18 capital and operating assistance called for developing a single fixed-route, linking small urban areas and four designated regions of shared-ride taxi service. This service began in November 1980 through competitive bid by two local shared-ride taxi companies and a taxi company, marking the first time in the State a public fixed-route bus offered wheelchair-accessible service. Three years later, SCAT expanded from 10 to 20 vehicles, as a result of consolidating nutrition and non-emergency medical transportation services. With the 1984 fiscal year Casino Review Allocation, the county hired a consultant to plan the expansion of its paratransit services.

BEST PRACTICE: PRIVATIZATION

Monmouth County had a wealth of taxi and school bus companies. While most operated in urban areas, several companies serviced the Western rural areas.

The Monmouth County Office of Transportation (MCOT) was created in 1985 to operate, manage, and coordinate public and private county transportation. The Casino-funded allocation increased to \$600,000, permitting the expansion of Shared Ride Taxi service to an additional six regions, serving 30 municipalities. MCOT's decision to open these services for competitive bidding was an effort to obtain more cost-effective services than the demand-responsive service operated by the County.

CONTRACT REQUIREMENTS AND SERVICE^{15 16}

The specifications of the Shared-Ride Taxi contract encourage local-based providers to bid on service regions close to their operations facilities. In urbanized portions of the County, Shared Ride Taxi vendors are expected to operate at least one wheelchair lift-equipped vehicle. Rural-accessible service is provided by the SCAT program for those wheelchair passengers who cannot slide-transfer into a taxi.

Each vendor contract is bid upon in April, enabling the contract to be executed before the beginning of the fiscal year (July 1st). Vendors must supply a 10 percent bid bond, a 100 percent performance bond, and an insurance certificate, prior to entering into a contract. The lowest responsible bidder is subject to inspection of its operation by MCOT.

In addition, potential contractors must meet the following requirements:

- Provide a minimum of three radio-equipped vehicles and have drivers available.
- Provide insurance at a level equal to MCOT's insurance on its own vehicles.

- Provide a scheduler to effectively group advance reservations into vehicle runs.
- Provide for the collection of fares set by MCOT.
- Ensure that drivers assist passengers, including carrying packages to residences.

Residents must reserve transportation at least 24 hours in advance for any trip purpose. Passengers traveling in the same direction, at the same time, are grouped together. Customers pay 45 cents - equal to a one-zone local public bus ride. The feeder fare to local bus or rail service is 25 cents.

The second type of service is a fixed-route shuttle bus linking residential areas to bus rail terminals and other destinations.

PAYMENT

The method of payment under Shared Ride Taxi provides maximum advantage to the local-based carrier by forcing the bidder to incorporate anticipated deadhead cost into the vehicle hour bid. Vendors are paid for revenue vehicle hours, plus the wait-time incurred when picking up or discharging passengers. The vendor is not paid for deadhead time to or from the service area to downtime exceeding 15 minutes when in the service area. By formally incorporating deadhead time into vehicle hour bid, a local-based carrier will generally possess a cost advantage over vendors from outside the area, unless there are large economies of scale. This makes it possible for small vendors to participate. Vendors bill MCOT each month for total vehicle hour cost, less the revenues collected.

By paying on a revenue-hour basis, the County is paying only for services actually provided by the contractor, accounting for normal fluctuations in demand.

CONTRACTOR CHARACTERISTICS

The Shared Ride Taxi contract embraces a number of different forms of taxi company ownership, and a range of vendors, size, and ownership. Table 1 describes local taxi vendors participating as of November 1988. The four vendors are evenly split between rural and urbanized areas. It should be noted that the two rural vendors (Hill's Taxi and Gratton's) each operate one region, which is designated as

urbanized, and, therefore, not eligible for UMTA Section 18 funding. These two regions (Regions 3 and 6) are open only to senior citizens and disabled residents.

The urban vendors are both larger taxi companies which operate wheelchair-accessible vehicles (see Table 1). Both Yellow Cab Companies operate other contracts for disabled persons and offer their own senior citizen discounts. The Shared Ride Taxi contracts represent less than 20 percent of the total trips carried by these vendors. Yellow Cab of Long Branch employs its own drivers, and pays Shared Ride drivers on a per-hour basis.

Yellow Cab of Red Bank provides dispatching, marketing, and excess insurance coverage for its owner/operators. A select core of owner/operators (those who are most capable of providing the quality of driver assistance required by the contract) carries the majority of Yellow Cab of Red Bank Shared Ride trips.

In the rural area, the vendors provide service over a larger geographic region, with approximately 25 percent of the population served by the urban vendors. For both Hill's Taxi and Gratton's, the Shared-Ride Taxi Program represents more than 50 percent of their total one-way trips. The Shared-Ride Taxi Program has become the primary business for Gratton's, a former school bus company. Both Hill's Taxi and Gratton's employ their drivers. However, Hill's Taxi pays its Shared Ride drivers on a modified meter rate, rather than on an hourly basis.

OPERATIONAL COST COMPARISONS¹⁷

Since the Shared Ride Taxi Program began in 1980, the fully allocated vehicle hour cost of SCAT has been less than that of the contracted vendor. In 1980, Hill's Taxi and Gratton's bid vehicle hour costs were \$13 and \$12.50, respectively. While a fully allocated cost for SCAT was not available for 1980, the driver and scheduler salaries suggested a vehicle hour cost of less than \$11 per vehicle hour.

Despite these differences in total vehicle hour costs (since vendor vehicle hour costs obviously include overhead, profit, and downtime), Monmouth County has continued to pursue selective private contracting because of operator productivity.

An examination of Table 2 provides several indicators of operator productivity, as measured in cost per vehicle mile, vehicle hour, and passenger trip. SCAT is clearly on the lower end of the vehicle hour measure. This figure is surprising,

since much of the argument for privatization has been lower private operating costs. However, comparing small public and private paratransit agencies, the public agency costs are often lower when both public and private operations are non-union. Given relatively equal labor costs for both public and private, it is often the public agency which has the economies of scale in such areas as insurance and fuel costs. As part of a large county government, the fully allocated insurance cost of \$664 per vehicle for SCAT is considerably lower than the cost for a small taxi company. In addition, bulk fuel purchases can be as much as 20 percent lower than fuel purchased by a taxi company.

Moving to cost per passenger, it is clear that the vehicle hour cost savings with SCAT do not translate into passenger trip cost savings. In part, the difference between SCAT and taxi companies has to do with the longer trip lengths.

However, a comparison with rural vendors shows an average SCAT passenger trip is considerably shorter than those of Hill's Taxi and Gratton's. The cost per mile data also yields surprising results, considering that SCAT trips reflect a combined urban and rural mileage.

The key to greater productivity of the private vendors is really one of opportunity costs. SCAT includes hours which are not devoted to general ridership. Any drop in demand due to holidays, inclement weather, or other reductions in service is included in SCAT operating costs. Conversely, while private vendors include deadhead costs and profit in their vehicle hour bid, their down time is not charged to the Shared Ride Taxi Program. For these vendors, the Shared Ride Taxi trips are simply a more effective use of exclusive ride taxi down time. For this reason, the Shared Ride Taxi Program is only paying for revenue vehicle hours. When demand for Shared Ride drops off, the taxi vendor shifts his taxis to meet the exclusive-ride demand. This means that the same number of trips can be provided by a private vendor using fewer total vehicle hours.

An indication of another reason why the net subsidy cost of private vendors is less than for SCAT service can be found in Table 1. SCAT does not bond its drivers, and its only means of collecting revenue is through billing human services agencies. The taxi companies, already equipped for collecting revenue, account for the cost of revenue collection in their vehicle hour bid. Discussions with vendors, however, indicated that fare collection on taxis requires virtually no additional administrative cost. The result is that

the revenue collected represents a further net reduction to public subsidy under private operation, amounting to as much as 11 percent of the total cost in fiscal year 1987.

RESULTS

There are advantages to both MCOT and the vendors:

- The retention of an in-house operation helps to keep annual contract bids "honest".
- Private vendors respect those who know the business. Providers tend not to exaggerate vehicle trip times.
- A policy of selective contracting minimizes start-up time and costs.

The use of private vendors represents an effective use of community paratransit resources. In many cases, vendors do not incorporate the full cost of dispatching and other functions in their bid cost since these costs are fixed for their operation. By taking advantage of vendor "excess capacity", the public or non-profit provider can extend the limited public resources to meet more of the latent demand that exists in most communities.

Overall, a cost-effective means of expanding existing services and developing new operations has emerged from the County's contracting policy. For example, MCOT contracted to meet the needs of homeless families, by providing a link from urban areas of high employment to suburban areas, where opportunities exist.¹⁸

CONCEPT TRANSFERABILITY

Since the proposed Federal guidelines on "privatization" were released January 24, 1986, many operators have expressed opposition to the use of private companies. The Monmouth County Director of Transportation wrote, "The polarization of positions which developed on the issue of 'privatization' must be softened if the transit industry is to meet the challenge of a growing transit-dependent population and shrinking Federal resources. A balanced approach to employing public subsidies appears to be a sensible approach to meeting paratransit needs in areas where both sectors presently exist."¹⁹

Table 1**PRIVATE CARRIER CHARACTERISTICS****(FY 86)**

	Yellow Cab (RedBank)	Yellow Cab (Long Branch)	Hills Taxi	Gratton Transportation
Number of Available Vehicles	22	18	8	4
Insurance (per person/umbrella)	\$500,000/ \$1,000,000	\$500,000/ \$1,000,000	\$500,000/ \$1,000,000	\$500,000/ \$1,000,000
Wheelchair Vans	2	1	none	none
Approximate Sq. Miles Served	33	43	149	115
Regions Served	1	3	3	3
One Zone Fare (Gen. Public)	-	-	\$.85	\$.85
One Zone Fare (E&H)	\$.40	\$.40	\$.40	\$.40
Two Zone Fare (Gen. Public)	-	-	\$1.00	\$1.00
Two Zone Fare (E&H)	-	-	\$.50	\$.50
Peak Fare (Gen , Public)	-	-	\$2.55	\$2.55
Peak Fare (E&H)	\$1.20	\$1.20	\$1.20	\$1.20
Total Passengers	7,613	9,828	5,848	10,781
Net Cost Passenger	\$2.78	\$3.42	\$3.94	\$5.26
Farebox Recovery	11%	10%	9%	7 %

Table 2

COMPARISON OF IN-HOUSE AND SHARED RIDE TAXI
COST AND PRODUCTIVITY MEASURES (REVISED)
(FY 86)

	<u>Gratton</u>	<u>Hills Taxi</u>	<u>Yellow Cab of Red Bank</u>	<u>Yellow Cab of Long Branch</u>	<u>SCAT</u>
Total Costs	\$61,006.87	\$27,271.36	\$23,855.00	\$37,238.34	147,181.31
Total Vehicle Hours	3,592	1,579	1,403	2,571	10,140
Cost per Vehicle Hour	\$17.00	\$16.00	\$17.00	\$14.50	\$14.51
Total Passenger Trips	10,781	5,848	7,613	9,828	15,133
Trips per Vehicle Hour	3.00	3.70	5.43	3.82	1.49
Cost per Passenger Trip	\$5.66 (1)	\$4.32 (1)	\$3.13	\$3.79	\$9.72 (2)
Total Vehicle Miles	112,872	48,360	25,080	37,640	105,100
Cost per Vehicle Mile	\$.54	\$.52	\$.95 (3)	\$.99 (3)	\$1.40 (4)
Avg. Vehicle Miles per Passenger Trip	10.47	8.27	3.29	3.83	6.95

(1) Higher costs per passenger trip reflect length of vehicle trip in rural areas.

(2) Higher cost per passenger trip reflects rural trips and unproductive vehicle hours.

(3) Higher cost per vehicle mile reflects traffic congestion in urbanized areas.

(4) Higher cost per vehicle mile reflects unproductive time.

PRIVATE NONPROFIT SYSTEMS

PEE DEE REGIONAL TRANSPORTATION AUTHORITY

CREATIVE RURAL PUBLIC TRANSPORTATION

BACKGROUND

Prior to the mid-1970's, many people living in the Pee Dee Region of South Carolina were geographically isolated. This is tobacco land and most of its residents made their living working the fields of the farm owners. Many, including the elderly and handicapped, were without transportation, and were dependent upon others for their mobility.

To address this problem, the Pee Dee Regional Transportation Authority (PDRTA) was officially established in June 1974. The PDRTA is a public non-profit organization governed by a Board of Directors, consisting of one member from each of the six participating counties.²⁰ The organization was charged with establishing diversified transportation services to meet the Region's most pressing needs. PDRTA was also required to economize by consolidating existing services.

PDRTA is a pioneer in South Carolina. It is the State's first Regional Transportation Authority (RTA); the first rural operator to establish a vanpooling program; the first to provide "Rural Connection" service with Greyhound Lines, Inc., and with AMTRAK.²¹ In 1988, the *Community Transportation Reporter* (CTR) magazine presented a Special Recognition award to PDRTA for creative and outstanding service. Three of the system's outstanding features are being highlighted as "Best Practices":

- Efficiency, Effectiveness, and Productivity;
- Risk Management; and
- Innovative Fundraising.

PROGRAMS AND SERVICES

In 1976, PDRTA began service by providing transportation through the South Carolina Department of Labor, for a small group of people enrolled in the CETA (currently JTPA) Federal job training program. In August of that same year, the PDRTA public transportation service began.

The extraordinary growth of PDRTA is a result of its creativity, innovation, and fundraising capabilities.

In 1987-88, the PDRTA transported passengers over two million miles. Four different types of service are provided by the transportation authority throughout its six-county service area:

1. Human Service and Private Contract - The PDRTA provides transportation under contract to more than 30 human service agencies, and a number of private organizations and businesses. (Exhibit 1)
2. General Public Service - The PDRTA provides service to the general public under three different classifications: the Public Ridership Program represents service provided the public on a cash fare basis; the Public Ridership Program (Urban), designated for the Florence urbanized area; and the Public Ridership Program (Rural), designated for the rural areas. The Florence Transit System also provides fixed-route service under the acronym FLASH (Florence Area Shuttle), connecting downtown Florence with the West Florence Malls, and with the residential areas.
3. Charter Service - As a result of Federal restrictions, PDRTA can only provide this service under the authority of a private operator.
4. Special Services - During 1987-88, PDRTA improved existing special services and instituted new transportation programs: Tourist Industry Worker Trips - transportation service for workers to and from the Myrtle Beach/Grand Strand area; AMTRAK - connecting service for AMTRAK passengers between Florence and Myrtle Beach; Greyhound - rural connecting service for Greyhound patrons, transporting passengers to and from Greyhound/Trailways terminals; and Vanpooling - ride-sharing program

requiring participants to pay for the operating costs of the vanpool through their fares.²²

Funding Sources

PDRTA is primarily supported by its contracts with State and local governments and private institutions. During the 1987-88 fiscal year, the system earned \$1,128,699 through these contracts. Federal and State grants account for approximately 20 percent of PDRTA's revenue, totaling \$336,469 in fiscal year 1987-88. (Exhibit 2)

As most transportation providers are finding, it is becoming increasingly necessary to obtain local cash assistance from the communities they service. Local cash grants from the towns and counties served by PDRTA represented only about two percent of all revenues. As a result, the transportation agency has had to create new and successful ways of generating additional program funds, particularly for the acquisition of capital equipment. The Adopt-A-Van Program is one of the ways PDRTA accomplished this (see "Best Practices").

Cash fares account for only four percent of PDRTA's income.²³

Facilities

PDRTA operates from a central office and maintenance facility in Florence, and has recently constructed adjunct offices in two other counties in the service area.

The Executive Director of PDRTA manages the daily operations of the Authority, with the support of nine other administrative staff members (personnel and accounting). One hundred employees are involved directly in operations (drivers, dispatchers, and operations clerks); five employees work in vehicle maintenance, and one works in marketing.²⁴

Over the past several years, PDRTA outgrew its space and expansion became a must. Through the creative insight and determination of the Authority's Executive Director, the values of unused land parcels donated to PDRTA by the local officials of Florence, Marion, and Cheraw, were used as the 20 percent match for additional funds. The remainder of the funding needed to complete the buildings was obtained from Section 18 Grants.

Fleet

The PDRTA fleet consists of 109 vehicles; eight of which are titled to other agencies (two belong to the Vanpooling Program, and six belong to the JTPA Program). Of the 101 remaining, 64 are modified, 15-passenger vans and 15 are small buses. The rest of the fleet consists of an assortment of transit coaches, station wagons, and service vehicles. The vehicles are given regular maintenance and routine repair in PDRTA's maintenance facility. Each vehicle is inspected daily by the driver, who completes a daily maintenance report.²⁵

BEST PRACTICES: EFFICIENCY, EFFECTIVENESS, PRODUCTIVITY

PDRTA has grown into a sophisticated business and has amassed considerable experience and expertise in those functions essential to good transportation service management. "...These functions include administration and management, grantsmanship, finance and accounting, operations efficiency and control, fleet maintenance and repair, passenger safety, and facility development. Each function could serve as a model for other transportation systems..."²⁶

PDRTA measures its performance by comparing current productivity and cost factors with those same factors in previous years. "Performance Indicators" are used to measure cost-efficiency and effectiveness, productivity, and safety.

During the 1987-88 fiscal year, the Authority transported over 400,000 passengers. This amounted to an 11.8 percent increase over the previous fiscal year. Vehicle miles increased by 6.2 percent, and revenues were up 11.6 percent. Expenses also increased 9.5 percent over the 1986-87 fiscal year.

Cost per vehicle mile for the year ranged from a low of \$0.82 to a high of \$1.19. The average cost per vehicle mile for the year was \$0.94, an increase of 5.6 percent over the previous year. Cost per passenger trip averaged \$5.07, 6.5 percent greater than the year before. Cost per passenger mile averaged \$0.32, down 18 percent from the previous year.²⁷ (Exhibit 4)

Risk Management

A recent study by an independent consulting firm revealed that PDRTA experienced one vehicle accident every 408,000 miles. The consultant's report stated that they were, "...not aware of any transit operation in the nation with a record approaching this." The consultant's recommendation with regard to safe driving was simply, "Keep up the good work!"

All drivers of PDRTA vehicles must pass a rigid selection procedure, complete a formal training program, and pass a physical examination before being hired. Each must then complete annual training requirements. For example, for a driver to be promoted, the driver must become Red Cross certified in First Aid and CPR. Standards are high, and, as a result, accidents are low.

In keeping up the good work, PDRTA requires each driver to complete a two-day annual training course. The course includes instruction in Defensive Driving (taught in accordance with the National Safety Council), preventive maintenance, Passenger Assistance Techniques, and other driver-related topics. In addition, specialized courses are taught to selected drivers who require special skills. For example, drivers operating vehicles having hydraulic lifts for wheelchair passengers are required to complete a special course tailored to their responsibilities.

PDRTA's Safety Committee meets monthly to monitor safety on-the-job requirements. There is also an Accident Review Committee which evaluates every vehicle accident in which PDRTA is involved. The Committee then makes recommendations to the Executive Director about appropriate corrective and/or disciplinary actions.

PDRTA is also an active member of the Palmetto Safety Council, the Transportation Association of South Carolina, the American Public Transit Association, and other national professional associations. All take an active interest in promoting safety on the job and on the road.²⁸

Innovative Fundraising

PDRTA was also recognized by the CTR for Adopt-A-Van, an innovative advertising and fundraising program.²⁹ The program, which was launched in March 1988, allows a business firm to contract with PDRTA and "adopt" a vehicle for the exclusive use of the exterior for advertising space. The business then has an artist paint the firm's logo and advertising message on the

vehicle. PDRTA retains a small space to keep its identity on the vehicle.

The advantages are numerous. The cost is quite reasonable, in comparison with conventional outdoor billboard advertising; and since the vehicle is mobile, the advertising sign can go into areas where stationary billboards are prohibited. Fees for this service start at \$300 per month for a van. PDRTA has "sold" five vans, each for a period of 37 months. This will provide \$45,500 in cash to PDRTA. PDRTA anticipates earning over \$165,000 in the first three years of this program.

Another innovative service is the transport of tourist industry workers. Owners underwrite the cost of the service. PDRTA collects a cash fare from passengers; the businesses which benefit from the new supply of workers, pay PDRTA a fee for the service. In addition, because PDRTA benefits the economy, the island counties have willingly subsidized the service.³⁰

RESULTS

Efficient operation, combined with creative fundraising, allows PDRTA to provide the best in safe service, while holding the cost of operations at a reasonable level.

- PDRTA has been able to hold its administrative costs to about 8.1 percent of its budget.
- PDRTA reported only two preventable vehicle accidents in the 1988 fiscal year; and one in fiscal year 1986-87.
- In March 1988, PDRTA set a new record by logging 39,000 passenger trips, taken mostly by the elderly and handicapped. Annualized, this would equal 468,000 passenger trips.³¹
- PDRTA has expanded its facilities, which now have a real property value of approximately \$970,000.
- PDRTA's advertising revenue rose by 253 percent in 1988, with the introduction of the Adopt-A-Van Program.

CONCEPT TRANSFERABILITY

As with all exemplary programs, leadership, persistence, and management skills mark the difference between excellence and mediocrity.

The PDRTA Director convinced local officials to donate unused land, which then became a match for additional construction funds. It is not that land is available for the asking, but the PDRTA experience may open possibilities for others' initiative and inventiveness.

The Adopt-A-Van Program is feasible and attractive to businesses because of the comparatively reasonable costs and the potential income for the provider. PDRTA is just one of the systems in this Guidebook's selection of "Best

Practices" which has persuaded businesses to subsidize transportation for workers. JAUNT is another system that provides this service for the winter tourist trade.

Both ideas heighten the visibility and credibility of paratransit programs in the community. With support from the business community, local governments are less likely to reduce resources for specialized transportation services.

Exhibit 1

TRANSPORTATION SERVICE

Contract Service -- The PDRTA provides transportation service under contract with a number of different public and private organizations.

During FY'87-88, these contractors included:

Office of the Governor, Division of Economic Opportunity (Title XIX - Medicaid)
Pee Dee Regional Council of Governments (Title XX - Councils on Aging)
Office of the Governor, Employment and Training Division (JTPA Program)
Florence County Mental Retardation Board - consisting of:

- a. Florence Sheltered Workshop
- b. Munford G. Fuller Center
- c. Lake City Sheltered Workshop
- d. Camp T.L.C.
- e. Camp Palmetto

S.C. Department of Vocational Rehabilitation
Florence General Hospital (Senior Resource Center)
CSX Transportation
S.C. Commission for the Blind
Darlington County Adult Education
Florence-Darlington Technical College (Single Parent Program)
Pee Dee Mental Health Center
Florence School District #1 (Project SHARE)
Florence School District #2 (Project SHARE)
Florence School District #1 (Area Vocational Center - JTPA)
Marion School District #1 (Project SHARE)
Marion School District #2 (Project SHARE)
Agapeland Day Care Center
S.C. Department of Health and Environmental Control (Case Coordination)
Chipmunk Nursery
National Railroad Passenger Corporation (AMTRAK)
Greyhound Lines, Inc.
St. Luke United Methodist Church (Camp Snoopy)
St. Matthews Episcopal Church (Camp Love)
F.F. Corporation, Hartsville, S.C.
Ocean Dunes - Sand Dunes Resort
Inland Foods Corporation
Radisson Resort - Kingston Plantation
Sands Ocean Club
Central United Methodist Church (Camp Sexton)
Springville School
Ocean Creek Resort
Hardee's Food Systems, Inc.
American Cancer Society
Magnolia Mall Merchants Association

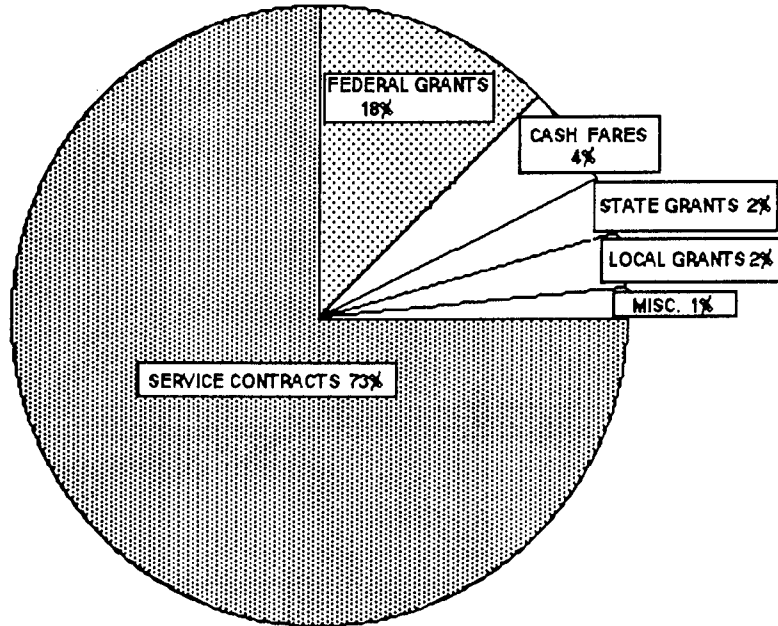
Exhibit 1 (Cont.)

Casualty Reciprocal Exchange
Camp Burnt Gin
Summer Academic Program

Exhibit 2

FISCAL YEAR 1987-88

TOTAL REVENUES



TOTAL EXPENSES

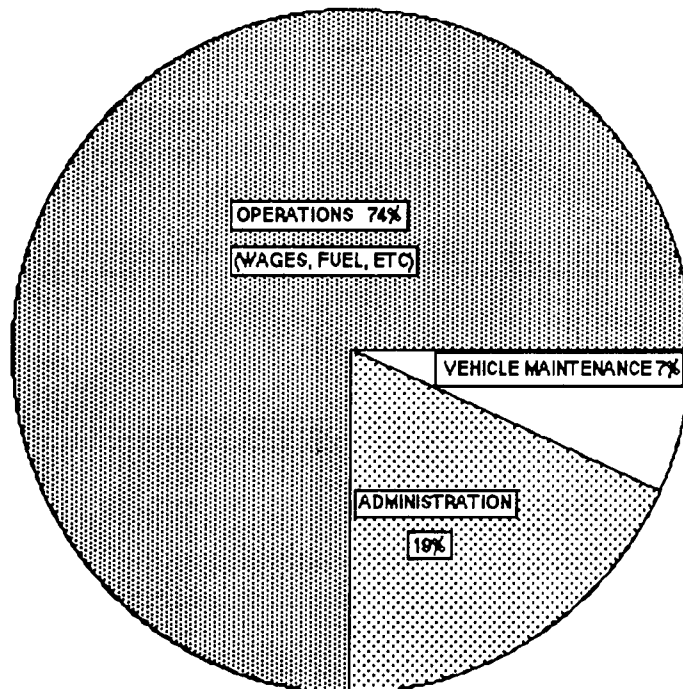
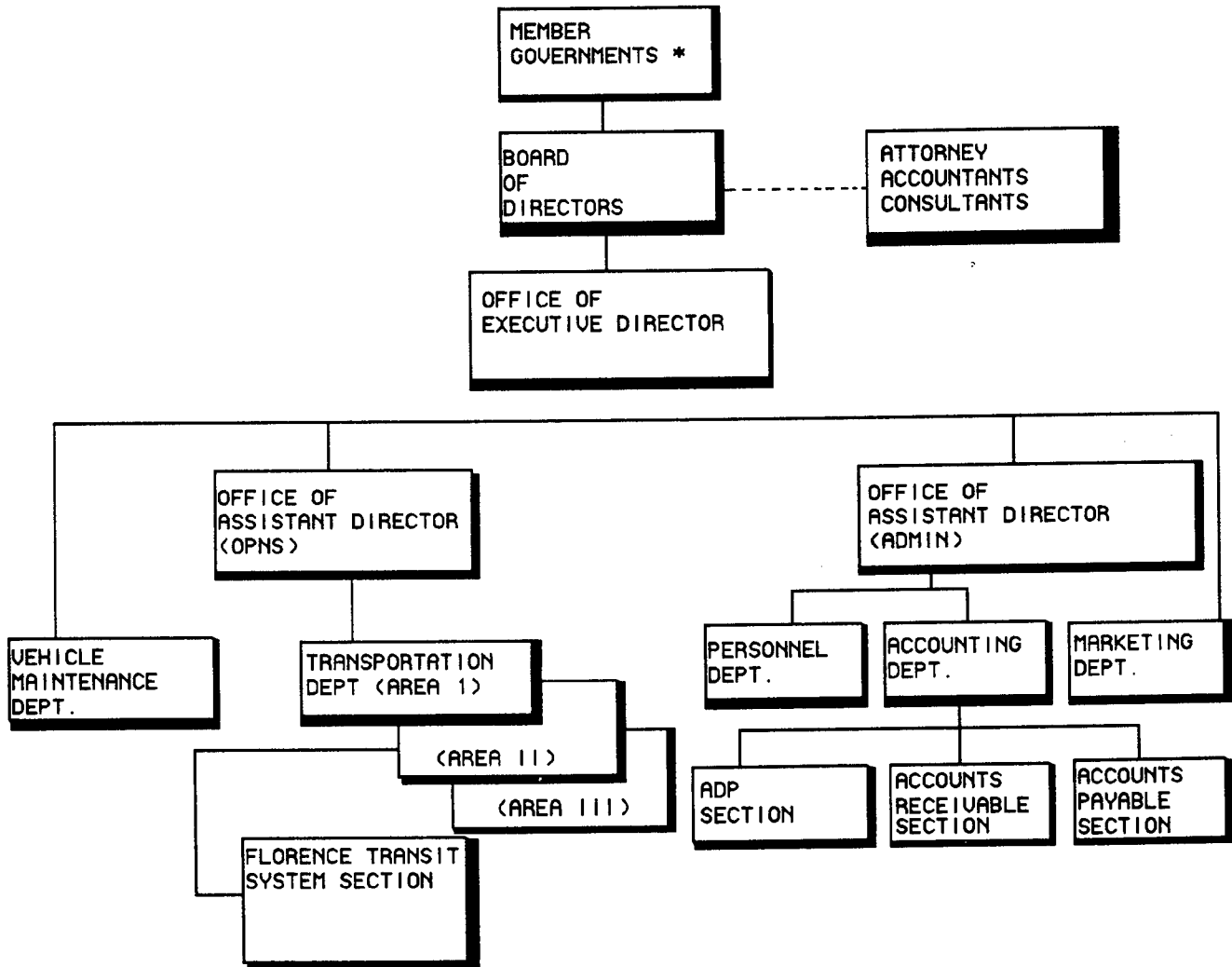


Exhibit 3

PEE DEE REGIONAL TRANSPORTATION AUTHORITY



CHESTERFIELD CO.
CHERAW
DARLINGTON CO.

DARLINGTON
HARTSVILLE
DILLON CO.

*MEMBER GOVERNMENTS
DILLON
FLORENCE CO.
FLORENCE

LAKE CITY
MARLBORO CO.
BENNETTSVILLE

MULLINS
MARION CO.
MARION

Exhibit 4

PEE DEE REGIONAL TRANSPORTATION AUTHORITY
Operational Indicators: Total Operations
Fiscal Year 1987 - 1988

<u>1.0 Efficiency / Effectiveness</u>	<u>FY 86-87</u>	<u>FY 87-88</u>	<u>% Change</u>
Cost/Passenger	\$4.76	\$4.69	-1.5%
Cost/Vehicle Hour	\$18.27	\$18.09	-1%
Cost/Vehicle Mile	\$0.89	\$0.91	+2%
Cost/Recovery	78%	81%	+3%
Cost/Passenger Mile	\$0.89	\$0.82	-8%
<u>2.0 Productivity / Safety</u>			
Passengers/Vehicle Mile	0.19	0.19	0%
Passengers/Vehicle Hour	2.82	2.85	+1%
Passengers/Day	1,456	1,585	+9%
Preventable Vehicle Accidents	1	2	+100%
Number of Road Calls	not available	8	
<u>3.0 Annual Performance Comparison</u>			
Passengers Transported	362,281	404,962	+11.8%
Total Vehicle Miles	1,954,448	2,075,311	+6.2%
Total Revenue	\$1, 371,834.14	\$1,530,345.34	+11.6%
Total Expenses	\$1,728,898.58	\$1,893,116.22	+9.5%
Total Employees	113	115	

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PRIVATE NONPROFIT SYSTEMS

PARATRANSIT, INC.

A LEADER IN CONSOLIDATED SPECIALIZED TRANSIT

INTRODUCTION

Paratransit, Inc., is a successful and innovative consolidated transportation system. It was established to provide an accessible, shared-ride, door-to-door transportation service to the elderly and disabled citizens of the urbanized area of Sacramento County.

Metropolitan Sacramento, which includes Sacramento and Yolo Counties, has a population of close to one million residents. It is estimated that over 55,000 of Sacramento's residents are 65 years of age or older. The work force in the metropolitan area is increasingly well-educated and highly paid, and its citizenry is well-inclined to organize to effectively induce change in its community.¹

With the urging of a highly activist contingent within Sacramento's disabled community, the Sacramento Regional Transit District (RT) pioneered efforts to provide transit service to persons with disabilities in the mid-1970's - well before it was either fashionable or mandated.²

Background

The State of California gave impetus to the development of specialized transportation with the passage, in 1971, of the Transportation Development Act (TDA). As a result, counties could impose a 6 percent retail sales tax for community transit services. In 1979, the State legislature passed the Social Services Transportation Act which required the coordination of all social service transportation in California. A task force of 12 agencies, consumers, and transportation providers directs the implementation of the 1979 act.

All grant applications for UMTA Section 16(b)(2) funds are reviewed jointly by an Interagency Social Service Public Transportation Committee (ISSPTC) and the State Department of Transportation (CALTRANS). To further the coordination of specialized transportation in

California, CALTRANS has an agreement with the Department of Aging (to establish generic transportation services at a local level) and the Department of Rehabilitation (to establish priorities for fixed-route transportation with specialized services). CALTRANS has two general staff members and one representative in each of the 11 district offices to provide technical assistance.³

At the same time, the State was considering a bill to mandate coordination, Paratransit's organizational planning phase was taking place.

In Sacramento County, special transit services were offered by 31 separate agencies. These services, however, were fragmented, with staggering staff turnovers. A number of problems presented severe and distracting challenges to all agencies: vehicle maintenance; routing, scheduling, and dispatch; adequate and stable funding; qualified driver recruitment and training; and insurance. Additionally, most vehicles stood idle most of the time. Operation of special transit programs proved to be complicated, expensive and time consuming. The need for a single agency to coordinate and consolidate specialized transit service was clear.

A study conducted by the Regional Planning Agency in February 1978, recommended consolidation of transportation programs. This action spawned Paratransit, Inc. in August 1978.

Paratransit, Inc., has served as a model for the legislation finally approved by California in 1979.

State legislation adopted in 1980 required that each county designate a Consolidated Transportation Service Agency (CTSA). Paratransit was California's first CTSA. A four-party agreement (which included Sacramento County, the funding agency) designated Paratransit responsible for all door-to-door transit services; the coordination and consolidation of social service agency transportation programs; and the operation of a centralized maintenance center.⁴

PROGRAM AND SERVICES

Program Philosophy

Paratransit coordinates specialized transportation by establishing a partnership with the agencies contracting its services. The most obvious outcome of this philosophy is that Paratransit's riders are consumers of transportation, rather than its clients. Therefore, the transit provider responds positively and attentively to riders' concerns.⁵ Paratransit places no restrictions on the kind of trip that can be made on its buses. For a private, non-profit, specialized transit agency, this is a unique operating philosophy which combats the misconception that older people and persons with disabilities have travel needs that differ from those of people who are able-bodied.⁶

Transportation Services

Sacramento/Yolo Bus Service

Paratransit, Inc., operates two distinct transportation services: the Sacramento/Yolo Bus Service and Senior Taxi Project. The Sacramento/Yolo Bus Service provides approximately 14,000 trips monthly over a 400 square-mile service area. Seventy-five percent of the daily trips are subscription service for regularly scheduled rides. The remaining 25 percent are intermittent services for shopping, medical appointments, recreational, etc.⁷

Paratransit's trip profile shows that 68 percent of the subscription rides are taken for developmental education. Social and recreational rides make up 33 percent of the intermittent bus trips.⁸

There are 43 vehicles in Paratransit's active fleet devoted to the Sacramento/Yolo Bus Service. The majority of the fleet is made up of 15-passenger modified buses. The inventory of equipment also includes various sized non-lift vans and a 19-passenger, lift-equipped bus. The number of lift-assisted boardings has risen steadily and now exceeds 35 percent of all boardings. This increase is directly related to Paratransit's service philosophy: positively responsive, attentive, and with no restriction on the type of trip which can be made.

Senior Taxi Project

Paratransit's Senior Taxi Project offers two services which receive 90 percent of their funding from the local Area Agency on Aging. The Senior

Shared-Ride Taxi Service (SSRT) provides free taxi rides to about 475 elderly riders with the greatest social and economic needs, as defined by the Older Americans Act.

The Taxi Coupon Program is a subsidy service extended to low-income and minority persons, aged 60 years or older, who live outside the SSRT service area. Currently, 723 seniors receive \$24 in coupons every one-to-three months, to be redeemed at the time of the taxi trip.⁹ Life-sustaining medical, social/recreational, and shopping trips make up the majority of these rides.¹⁰ Both programs, however, have been closed to new participants because of funding restrictions.

Organization and Staffing

Paratransit is organized to allow the greatest support for its flexible, innovative program. (see Figure 1).¹¹ The provider is governed by a nine-member board of directors, all appointed. Three represent the City of Sacramento, three are from the County of Sacramento, two from the Sacramento Regional Transit District (RT), and one from the Sacramento Area Council of Governments (SACOG). At least one of the city and county appointees is a consumer of Paratransit's services.

Because of its extensive operations, Paratransit has a relatively large staff for a specialized transportation system. The organization is operated from five functional areas. The administrative staff (Executive Director, Assistant Director, Administrative Assistant, an accountant, and a secretary) is responsible for the overall planning and control of the provider's daily business, its fiscal and regulatory relationships, and the organization and legislative efforts conducted on behalf of its ridership. The Manager of Fleet and Maintenance Operations works half-time in administration and half-time in maintenance.

The 15 scheduling and dispatch staff members are responsible for organizing rides for the system's passengers. The maintenance section employs 10 people in addition to the Manager, while the Mobility Training Program has a staff of two full-time and five part-time people. Both the Maintenance and Mobility Training Programs are discussed, in detail, in the "Best Practice" section of this study.

The Driving Unit is the frontline operation of Paratransit. Administered by a supervisor, two trainers, and a secretary, there are 40 drivers in this unit - twelve full-time and 28 part-time. Safety

is a priority and in each of the past four years, this unit has received citations from the Sacramento Safety Council celebrating its impressive record. The effectiveness of Paratransit's instructional program is recognized far beyond the providers' service area. The driver supervisor regularly travels throughout the country conducting training for drivers and driver trainers, and is certified by the National Transportation Safety Employees International Union, Local 22.¹²

BEST PRACTICES IN COORDINATION AND INNOVATIVE SERVICES

Paratransit is a leader and innovator in urban specialized transportation. One of its most notable features is the manner in which it is able to provide transportation to elderly and disabled persons and coordinate the transit needs of a variety of agencies, while taking the initiative to make changes to improve methods of operation.

Coordination

As the Sacramento area's Consolidated Transportation Service Agency, Paratransit conducts a variety of activities to help coordinate transportation services provided by local human service agencies.

- Paratransit assisted the Robertson Adult Day Health Care Center to develop transportation alternatives, including the possibility of consolidating its transportation program with Paratransit.
- In a effort to develop greater sensitivity to the transportation needs of its clients and to the potential of service coordination through a more thorough understanding of its operations, Paratransit assisted in the creation of a Transit Coordinator position at Alta California Regional Center, contributing comments on job qualifications and duties.
- After the Area IV Agency on Aging altered its transportation priority to emphasize intermittent ridership with priority trip purposes, and reduced available funding by \$70,000, Paratransit developed a strategy to get the Sacramento Employment and Training Agency to fund nutrition transportation fares for some of the displaced riders.

- Paratransit conducted driver training seminars for Galt Community Concilio, the City of Richmond, Yolo County Department of Public Works, and Sacramento's Resources For Independent Living.
- Paratransit participates on interview panels for El Dorado Transit.
- Paratransit assisted a half dozen other transit properties in conducting training, information exchanges, and a variety of workshops.

Beyond the close coordination with other agencies practiced by Paratransit as a CTSA, effective ties to other systems are also maintained. The provider helped form and remains active in the California Association for Consolidated Transportation (CalACT). In conjunction with CalACT, Paratransit provided the leadership which resulted in the creation of a shared-risk, self-insurance pool that saves money for small bus operators statewide. Also, as part of its Ridership Policies (Exhibit 1), the provider developed an appeals process that has been called "...a model for other agencies" by the State of California Department of Transportation, and has been used as such by CalACT members. The State of California uses the system's driver training manual to develop statewide standards for vehicle operator training programs. Paratransit has often assisted other agencies and transit properties through coordinated vehicle purchases.¹³

Innovation

Maintenance Facility

Paratransit's Maintenance Facility was started in the late 1970's as a demonstration project which focused on cost reductions for similar operations through joint purchasing and centralized management.

The Maintenance Facility provides low-cost maintenance service and fuel for Paratransit's fleet and for the vehicles of 30 human service agency transportation providers in the area, more than 180 vehicles in all. The facility specializes in lift equipment, small bus maintenance, and complete vehicle rehabilitation. The facility rebuilds small transit buses, and has rebuilt its own fleet and those of the City of Roseville and Yolo County.

Mobility Training Program

Since 1983, the Mobility Training Program has provided training to the elderly and persons with physical, developmental, or mental disabilities that interfere with their use of RT bus and light rail systems. The training includes familiarization with the RT systems, orientation to lift-equipped buses, and comprehensive training in all aspect of safe and effective bus and light rail use.

Training is conducted on a one-to-one basis and is tailored to the skills and capabilities of the trainee. Trainees include, but are not limited to, clients of the Alta California Regional Center (Alta) and the Sacramento Employment and Training Agency (SETA). Alta normally funds training for persons with disabilities, and SETA funds training for low-income and minority senior citizens. Training costs for others are funded by the County of Sacramento. the most recent figures indicate it costs Paratransit \$18.10 per hour to conduct mobility training.¹⁴

Automation

Paratransit has developed sophisticated computer software which includes the capability to schedule vehicles on the basis of geographical distribution. Research was begun on the Paratransit Advance Reservation Routing and Scheduling (PARRAS) software package in April 1984, and it became fully operational in January 1986. Since then, intermittent trip requests have increased by 96 percent.¹⁵

With the PARRAS system, all trips are scheduled at one time by the computer, which examines hundreds or thousands of scheduling alternatives before making assignment decisions. Schedulers are free to do other work during this process, except when it is necessary to correct such things as barriers (rivers, etc.) not recognized by the computer, passengers scheduled in excess of available equipment, or special circumstances.

RESULTS

It has taken only a decade for Paratransit to develop from a two-bus property operating on a shoestring and surrounded by agencies competing for resources and riders, into a nationally recognized consolidated transportation agency. It has done a commendable job of fulfilling its responsibilities of providing transit to elderly and disabled persons and coordinating the transportation needs of a variety of agencies.

- Routing and scheduling are accomplished by a leading computer software package.
- The Maintenance Facility not only has overcome its budget deficits, but it now also helps financially support transportation operations.
- For each of the past two years running, the Mobility Training Program has trained 300 elderly and disabled persons in how to safely and effectively ride Regional Transit buses and light rail lines.
- In a major coordination victory, a Mobility Training contract in Santa Cruz was satisfactorily fulfilled.
- Paratransit Insurance Corporation is fully operational. The provider reduced its insurance premiums by \$95,522.
- Subscription transportation service is provided to nine nutrition sites, four college campuses, six therapy programs, two adult day health care facilities, 10 programs for developmental education, five dialysis units, and multiple private Federal, State, county and city worksites.
- Paratransit buses delivered 175,881 one-way trips in fiscal year 1987-88. This figure includes 61,775 lift-assisted boardings.
- A record 1,142,615 miles were driven in fiscal year 1987-88.¹⁶

CONCEPT TRANSFERABILITY

Paratransit, Inc., thinks big and provides transportation service in a big way. To replicate the scope of services that Paratransit is committed to provide to its community, would require a budget that is not feasible for most systems in the country. However, if some of Paratransit's innovative programs are viewed as separate components, the possibility of duplication is quite real. Because of its reputation as a successful pioneer in the field of specialized transportation, Paratransit receives many calls for advice, both from within and outside the State. Requests also are received to provide consulting work, particularly in assisting providers in setting up the

following programs in their own communities:

- Mobility Training Program
- For-Profit Maintenance Facility
- Computerized Routing and Scheduling
- Passenger Ridership Policies
- Initiating a Non-Profit Self-Insurance Pool.

Figure 1

PARATRANSIT, INC., ORGANIZATIONAL CHART

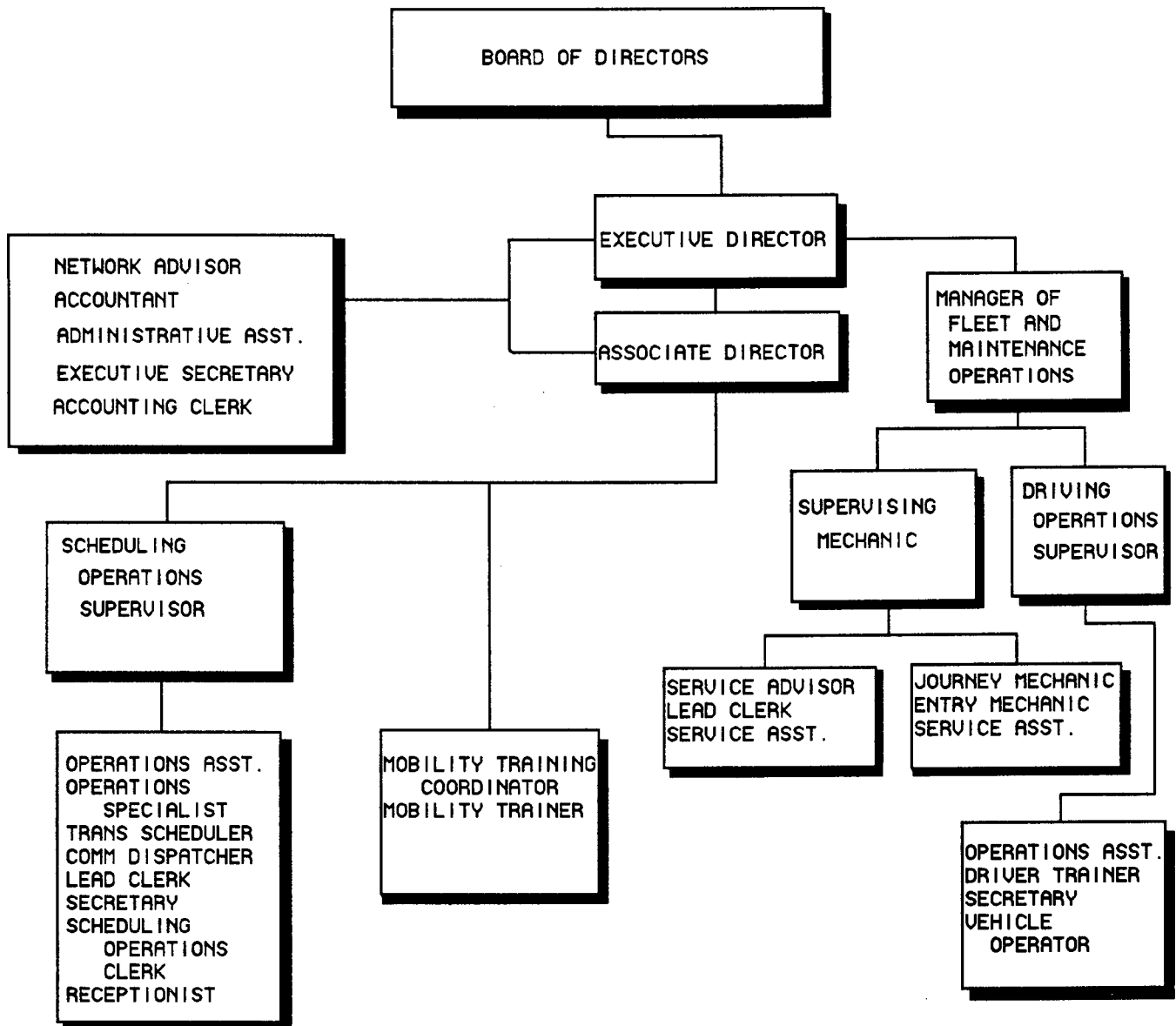


Exhibit 1

Paratransit Ridership Policies

■ POLICY ON ELIGIBILITY

Eligibility for Paratransit's shared-ride door-to-door transportation service will be limited to those transportation disadvantaged persons of all ages who are physically or mentally unable to use the Regional Transit system. The word "unable" means that performing the function is absolutely impossible or causes severe or continuing pain. It does not mean discomfort or occasional pain. Eligibility may be granted on a temporary or conditional basis.

■ CRITERIA FOR ELIGIBILITY

People who meet one or more of the following criteria and show proof will be considered eligible for door-to-door transportation:

- a) People who must use wheelchairs or walkers regularly to perform their normal daily tasks;
- b) People who are 75 years of age or older;
- c) People unable* to get on or off an RT bus;
- d) People unable* to walk from home/destination to the nearest RT bus stop;
- e) People unable* to wait standing for more than 15 minutes;
- f) People unable* to move in crowds;**
- g) People unable* to read information signs;***
- h) People unable* to grasp coins, tickets, or handles;
- i) People unable* to understand and follow transit directions; and
- j) People unable* to use a regular RT bus in the performance of a life-sustaining activity.

* The word "unable" means that performing the function is absolutely impossible or causes severe or continuing pain (not discomfort or occasional pain).

** Difficulty keeping balance in a regular RT bus is not considered a transportation disadvantage since Federal regulations require seats for the disabled near the entrance of all buses.

*** This does not include foreign language problems, or illiteracy among otherwise able-bodied individuals.

■ POLICY ON CERTIFICATION

It is the policy of Paratransit that service will be provided only to certified persons. Paratransit retains the sole right to certify eligibility.

■ POLICY ON APPEALS

It is the policy of Paratransit that all applicants denied certification or all certified users who are denied service on long-term basis shall have access to an appeals process. Final decisions on all appeals will be made by Paratransit's Board of Directors.

■ POLICY ON ACCESSIBILITY TO PUBLIC AND PRIVATE BUILDINGS

It is the policy of paratransit that all barriers to safe access of public and private buildings be reported to the proper authorities.

■ POLICY ON TRIP PURPOSE PRIORITY

It is the policy of Paratransit that trips shall not be scheduled on a priority basis according to the purpose of the trip until such time that monetary or other constraints severely limit Paratransit's ability to be accessible public transportation.

■ GLOSSARY

Subscription Service

Service provided on a regular basis to and from the same locations at the same times. Service must be subscribed to through the Paratransit scheduling office.

RT Fixed-Route Accessible Service

A service provided by Regional Transit for the physically disabled wherein specified buses are lift-equipped.

Closed-Route Service

A service provided by Regional Transit for the developmentally disabled and coordinated by the Sacramento Association for the Retarded (SAR).

Shared-Ride Door-to-Door Transportation Service

Transportation service which provides door-to-door service using ridesharing when most productive to do so.

■ POLICY ON PASSENGER RESPONSIBILITIES

It is the policy of Paratransit to ensure the safe and effective transportation of all Paratransit passengers and the safe and effective operation of all Paratransit vehicles. To that end, the following passenger responsibilities have been established. These responsibilities fairly represent actions that would ensure the safe and effective transportation of all Paratransit passengers; however, they are not meant to be all-inclusive. *Paratransit reserves the right to deny service for non-compliance with any of the passenger responsibilities listed below.*

1. Transportation options:

Each person eligible for Paratransit services, or advocate for that person, has the responsibility to use the most appropriate public transportation service. This means that public transportation options (i.e., RT fixed-route accessible service, RT closed-route service, etc.) should be used in order to create space on Paratransit for those who have no such options. Paratransit may assist in the use of other public transportation options if necessary through such services as its Mobility Training Program.

2. Escort/aide:

All passengers who need assistance beyond the door-to-door transportation (i.e., dressing, locating a doctor, registering for appointments, etc.) have the responsibility of providing an escort/aide.

3. Appropriate Social Behavior:

All passengers are expected to exhibit appropriate social behavior while on the bus or while interacting with other passengers or while interacting with Paratransit employees. All passengers have the right to travel on Paratransit without the threat or fear of physical or verbal abuse, and with the maximum of personal comfort.

4. Fares:

All passengers are expected to pay a fare, sign an IOU voucher, present a Paratransit pass, or present a fare coupon upon boarding a paratransit bus.

5. Changes in schedule trips:

All passengers are expected to provide reasonable notice of a change in a ride request when a scheduled trip cannot be made. This will prevent other passengers from facing delays.

6. Lateness:

All passengers are expected to be ready at the scheduled pick-up time. Paratransit will wait no longer than 5 minutes beyond the scheduled pick-up time to prevent other passengers from facing unnecessary delays.

7. Cancellation notice:

All passengers are expected to, provide at least 2 hours notice of cancellation of a scheduled trip.

8. Long-term cancellations:

All passengers may temporarily cancel their subscriptions service for a period up to 4 weeks. Exceptions may be granted with compelling cause shown.

9. Change in eligibility:

All passengers are expected to report changes in their eligibility for Paratransit service as soon as practicable.

10. Compliance with bus rules:

All passengers are expected to comply with Paratransit's bus riding rules (i.e., use of seat belts, no smoking, no standing while the bus is in motion, no eating/drinking without medical indication, no defacing of equipment, etc.).

11. Accessible origin/destination:

All passengers are expected to request service to or from buildings that are safely accessible. Any barriers that might substantially risk the health or safety of the passenger or Paratransit employee must be removed. If no safe access exists, curb service may be provided.

12. Riding with assigned vehicle operator:

All passengers are expected to ride with the vehicle operator assigned by Paratransit. Complaints regarding a vehicle operators performance should be reported promptly to the Operations Supervisor for resolution.

13. Mobility aids/devices:

Mobility aids or devices that cannot be safely secured with Paratransit's tie-downs or that are not safe to carry on the lift will not be allowed on Paratransit buses. This includes, but is not limited to, wheelchairs with inadequate, nonexistent, or worn out brakes; wheelchairs with controls that accelerate too quickly or are difficult to moderate; and scooter-type wheelchairs because of their weak frames and instability. It is possible that other potential methods to enter and exit the vehicle may be negotiated with Paratransit staff. This may include the passenger providing an aide for assistance. Negotiation will take place on a case-by-case basis. The overall intent of this policy is to try to find a safe way to accommodate the passenger. If no safe method exists for the passenger to board, ride, or alight, service may be denied.

14. Child safety seats:

Children 40 pounds and under are to be placed in an approved infant seat supplied by the attending adult. No child will be permitted to ride on a passenger's lap. Parents, guardians, or aides will be responsible for securing the infant seat and shall board and deboard both the child and seat.

CARE-A-VAN: GROWING THROUGH COORDINATION

BACKGROUND

In the High Plains region, in the north-central part of Colorado and south of the Wyoming border, the city of Ft. Collins rests in the foothills of the Larimer Mountains. Larimer County and the Ft. Collins area are experiencing what has become a nationwide trend - the increased lifespan of the population. The lifespan of Americans has increased by 28 years since 1900 and life expectancy is now 75, with those persons over 80 making up the fastest growing age group in the country. In Larimer County, in 1986, 9,226 households included at least one person who was 65 or older. The Office of Aging predicts that number will climb to 10,922 households in 1991 - an increase of 18 percent.¹⁷

It is immediately evident that transportation to medical care, meals or food supplies, and other services are essential to an independent life style for this growing group of seniors. The need cuts across all economic levels. CARE-A-VAN is the provider that took steps to respond to the transportation needs in a coordinated manner. CARE-A-VAN is a private, nonprofit, specialized transportation system designed to provide considerate and efficient service for the elderly, disabled, or low-income residents of Larimer County, Colorado.

Institutional Framework

CARE-A-VAN found itself in the middle of a sizeable problem - how to provide coordinated services in a state where there is no official mandate for coordination. The responsibility for coordination is shared by the individual provider and the Colorado Department of Highways (CDOH).

The CDOH has a transit unit which is very supportive of the providers of specialized transportation service. The transit unit works closely with the Colorado Association of Transportation Agencies (CASTA) and is the main force at the statewide level pushing for more coordination.

The Colorado Department of Highways administers Section 16 (b)(2) funds to provide vehicles for private nonprofit agencies and Section

18 funds which supply operating monies to either public or private nonprofit entities. When a request is submitted for a Section 16 (b)(2) vehicle by a senior day care center, the center must prove to the CDOH that it is combining services. A day care center will not be considered for a vehicle unless it is part of a coordinated effort.

The CDOH controls two very substantial sources of money, both capital and operating funds. The CDOH always gets far more requests for money than it has, and this fact causes providers to think in terms of what they can do to move higher on the list of those seeking funds. It has become evident in Colorado that demonstrating positive efforts in the area of coordination is a prerequisite to gaining access to transportation funds.

The CDOH also requires that those seeking funds be part of a five-year plan for their area. The five-year plans are usually written by outside consultants who study the transportation situation and make specific recommendations. As a result of one of those recommendations, a Transportation Advisory Committee in the Ft. Collins area now meets on a regular basis. Taking part in these meetings are representatives from CARE-A-VAN, county offices, disabled resource services, TransFort (Ft. Collins' Section 9 transit provider), and anyone who has an interest in transportation.

PROGRAM DESCRIPTION

From its humble beginnings in October 1972, serving only eight people a day, CARE-A-VAN has grown to the point that it now handles 164,000 passenger trips per year. CARE-A-VAN puts over 384,00 miles per year on its 27 buses and minibuses.¹⁸

The provider serves passengers in wheelchairs and others needing special assistance. It also provides Section 18 service to the public outside the urbanized area.

CARE-A-VAN has also established a mutually beneficial relationship with TransFort, the area's Section 9 transit operator. Its offices and vehicle storage facilities are located in space provided by TransFort.¹⁹

CARE-A-VAN encourages clients, who are

able to do so, to donate funds to the system to help defray the cost of their trips. The provider coordinates as many funding sources as it can identify in order to supply the widest possible variety of service. CARE-A-Van also receives funds as:

- A member of the local United Way Chapter;
- A Human Resources Agency of Ft. Collins, Loveland and Larimer Counties;
- A Title III grantee; and
- A recipient of UMTA funding through the Colorado Department of Highways and the City of Ft. Collins.²⁰

BEST PRACTICES

A constant and untiring effort at transportation coordination has been the hallmark of CARE-A-VAN - a fact that has not gone unnoticed by the Federal Government. UMTA presented the provider with its "1987 Outstanding Public Service Award". Along with that honor came a special commendation in recognition of the transit system's "Contribution as a model in meeting the special transportation needs of Larimer County through innovative interagency coordination".²¹

Interagency Coordination

CARE-A-VAN has been able to tap into a vast pool of resources that would not have been accessible without a strong coordination effort. It has benefited from the energies of the United Way, the City of Ft. Collins, the Office of Aging, and Larimer County to centralize specialized transportation needs under its umbrella of coordination. The provider also purchases fuel, parts, and maintenance from the city, at cost.

In addition, the provider seeks out and secures cooperation with the following as a part of its interagency coordination effort:

- The City of Loveland;
- The Human Resources Committee;
- The Larimer-Weld Regional Council of Governments;
- The State of Colorado;
- The Colorado Association of Community Centered Boards;
- The Colorado Congress of Senior

- Organizations;
- The Colorado Gerontological Society;
- Rural America;
- Senior Employment Service;
- Foothills-Gateway Rehabilitation Center;
- Poudre R-1 School District;
- Thompson R-2 School District;
- The Multiple Sclerosis Society;
- Disabled Resource Services;
- Catholic Community Services
- The America Red Cross;
- Hospice;
- Respite Care;
- The Salvation Army;
- Project Self-Sufficiency;
- The Regional Transportation District;
- Poudre Valley Hospital;
- Colorado State University;
- Nursing homes and living centers;
- Elderhaus;
- Estes Park Senior Center;
- Bellvue Senior Center;
- The John XXIII Social Action Committee;
- The Crisis and Information Hotline;
- VCH Opportunity Center;
- United Day Care Center;
- Loveland Day Care Center;
- The Sunshine School;
- The Colorado Creative Learning Center;
- Womens Center;
- Interagency Councils of Loveland and Ft. Collins; and
- All municipalities surrounding the Ft. Collins area.²²

CARE-A-VAN was quick to recognize the importance of being well-prepared and a few steps ahead of the process in providing coordinated service. For example, the provider was ready when funds and programs became available for the Congregate Meal Program. Although the program itself had not investigated what it would need in terms of transportation service, CARE-A-VAN had done its homework and presented the program with a plan.

Effective Use of Multiple Funding Sources

Providing a wide range of specialized transportation services is nearly impossible without tapping a number of funding sources. CARE-A-VAN is certainly no stranger to this practice. But what sets this provider apart from

many others is the creative ways it mixes funds with coordination efforts in order to supply the best service possible.

In fiscal year 1987-1988, the provider's audited transportation income was \$656,263. Of that amount, \$297,748 came from the Foothills Gateway Rehabilitation Center. UMTA Section 9 funds are the second largest contributor to CARE-A-VAN's coffers; UMTA Section 18 funds are not far behind. In all, the provider has about 20 different funding sources, in addition to smaller contributors who donate sums under \$500.00 each.

In the past, CARE-A-VAN has tapped Federal Government funds as they were available. It participated in the CETA program by hiring program participants as drivers and dispatchers. When CETA funds ran out, the provider was able to select new drivers from the group it had trained and employed under the auspices of CETA. At one point, the provider also had funds from social services to take people to day care, but that money has just about dried up.

CARE-A-VAN has good experience to prove that involving the local business community can also strengthen its funding base. When the need arises for matching funds, the provider will go out into the community and seek assistance. CARE-A-VAN got four (4) vehicles on a 70/30 split, with 30 percent of the funds donated by a brewery and a private foundation (UMTA paid 70 percent). CARE-A-VAN also gets help on some non-transportation items. The slide presentation it uses to inform the public of its services is shown on an audio-visual machine which was a gift from a major oil company; and the slide show itself was produced by a local firm which charged approximately \$1,000 for a job that normally would cost in the range of \$4,000 to \$5,000.

Flexibility

CARE-A-VAN provides no less than 37 different types of trips. To maintain the kind of flexibility necessary to respond to all those needs the provider uses a combination of fixed-route, demand response, subscription, advance reservations, same day service, and other innovative means to keep up with the pressures on the system.

Some schedules don't change that often, such as in the case of the nine school buses the provider has. There are certain permanent clients on the list, as in the case of minibuses passengers who are scheduled for set trips each day or every two-to-three days. Although the permanent

clients provide some stability for the schedule, the downside is that when those vehicles are already committed, it is difficult to respond to last-minute requests. However, CARE-A-VAN does take requests right up to the time of a client's appointment because it has found when dealing with elderly riders it is likely that there will be cancellations. Cancellations allow the provider to fill some of the last-minute requests.

A Unique Volunteer Program

SAINT, Senior Alternatives in Transportation, began in 1988 as a subsidiary of CARE-A-VAN, but now many of its administrative duties have been combined with the provider's overall system for the sake of efficiency. In fact, funding requests for SAINT are included with funding requests for the entire operation.

The program coordinates volunteer drivers who use their own vehicles to provide door-to-door transportation service for older disabled residents of Ft. Collins. SAINT provides rides for any type of trip. The list includes:

- Medical care;
- Grocery shopping;
- Beauty or barber shop appointments; and;
- Trips to the Senior Center.²³

SAINT is another system which could not operate without coordination. Although it solicits donations from riders and the community, it also gets partial support from the City of Ft. Collins, United Way, the Larimer County Agency on Aging, and the Human Resources Committee.

More than 200 volunteers have taken part in the program, with a current force of about 50 people providing rides in their own vehicles. CARE-A-VAN and SAINT consider their volunteers to be the lifeblood of the program and essential to its public relations.

WHAT ARE THE RESULTS?

A recent statewide evaluation by the Colorado Department of Highways bears the message CARE-A-VAN pushes so hard to get across - it is a system which thrives on coordination. In its ranking for coordination, the CDOH placed the provider in the number one position in the state in

the area of coordinated activities. The provider's total score on the evaluation ranking for funds was, again, the best in the state.

Coordination and an active public relations effort have supplied the nutrients that make CARE-A-VAN grow. The provider holds membership in the Chamber of Commerce, a great way to meet leaders of the business community. The provider's Board of Directors expects the Executive Director to play a key public relations role and make fundraising an important part of his or her role.

Coordination on all possible levels has allowed this system to grow from a single vehicle handling one type of trip, to an efficiently run operation that seems to have little or no problem tackling the challenges of now providing scores of different kinds of trips and services.

CONCEPT TRANSFERABILITY

What CARE-A-VAN has done can be accomplished by other providers, but not without an all-out commitment to coordination. In a State where there is no official mandate for coordination, CARE-A-VAN exemplifies what happens when a specialized and human service provider makes the extra effort to foster cooperation. This system takes a look at all opportunities for cooperation and then moves forward. Administrative skills are essential, however, in making the operation run smoothly. The diverse demands on the provider do not allow much room for error. It is imperative that those wishing to replicate or duplicate the successes of CARE-A-VAN make sure they are taking steps to increase the efficiency of their administrative and service delivery operations. Efficient management is a key element in the kind of coordination effort undertaken by CARE-A-VAN.

DENVER MOBILITY

AGGRESSIVE AND SUCCESSFUL

BACKGROUND

Thoughts of the Western part of our nation conjure up visions of wide open spaces, rolling prairies and plains, and great expanses of land. But this traditional view of the West fades into a different reality as the land rises a mile above sea level to the city of Denver, Colorado.

The city of Denver did not follow the trend of urban sprawl for one simple reason - the water supply is constrained and housing appears only where there is water.²⁴ On the surface, this seems to create a geographic situation which would favor the provider of specialized transportation services. The service area is relatively confined, thus making fewer demands on the provider to involve vehicles in long trips to distant areas. But just as Denver is a contradiction of expectations, so is Denver Mobility, Inc. (DMI).

If DMI had confined itself to the concept of meeting specialized transportation needs only within the city limits of Denver, its task would have been a simple one, and growth in the system would have been, of necessity, extremely moderate. But from its meager beginnings in 1979, serving handicapped and elderly persons with one used van, Denver Mobility, Inc., has grown to be the largest non-profit transportation provider in the state. Its service area has expanded to approximately 2800 square miles, and its contract with the Veterans Administration involves transportation within the entire State of Colorado, as well as parts of bordering States.

"Aggressive" is the word which describes DMI's style. Denver Mobility's aggressive approach, explored in more depth in the following pages, is probably most evident in its three "Best Practices": Marketing, Vehicle Maintenance and Repair, and Risk Management.

Institutional Framework

The coordination of specialized transportation in Denver has not focused as much on cooperation among providers as on direct involvement with the private sector.

There is no statewide mandate for transportation coordination in Colorado. Most coordination efforts on the State level have come from the Colorado Department of Highways. That has left much of the task to localities. Part of that void has been filled by an organization called Transportation Associates of the Denver Area (TADA). TADA has been in existence since 1982 and, as a largely informal group, has scored some limited successes in coordination.

Each member of TADA, with the exception of the Yellow Cab Company, provides specialized transportation in one of the several counties surrounding metropolitan Denver and shares some of the same funding sources. TADA meets generally on a monthly basis to share common concerns and the group has cooperated in approaching the State on issues of common concern.

In the absence of active coordination efforts, DMI shifted its attention to expanding its services by working closely with private sector and private business clients. From its inception, the provider had encouragement from the city government, but that encouragement was not backed up with political and monetary support. In recent years, however, the city's contracts with DMI and its support of the transportation provider have both grown.

PROGRAM DESCRIPTION

Denver Mobility prides itself on its policy of transporting anyone who will pay the fee. More than half of its riders are elderly or handicapped (50-60%), but it also transports children and low income persons. DMI has about 5,000 people, who come under a Title III program, pre-registered on a computerized listing.²⁵ The provider concentrates primarily on transportation for medical appointments, daily school and employment trips, trips for the developmentally disabled, and social and recreation services. DMI has no limitations regarding trip priorities, age of clients or geographical boundaries.²⁶

DMI's average distance on client trips is seven

to ten miles, but some trips stretch to 150 miles, due to the provider's expansion into statewide transportation. Ridership has grown to the point that DMI averages over 250,000 miles of service annually with a pool of riders that fluctuates from 175 to 350 per day.²⁷

Denver Mobility feels its hours of operation are an advantage over other providers. It operates seven days a week from 5:00 a.m. to 11:00 p.m. Some of DMI's contracts require 24 hour-a-day service. The 40 vehicle fleet consists of vans, station wagons, mini-buses, and school buses.²⁸

BEST PRACTICES

Marketing

Early in its existence, DMI decided to broaden its scope of service by seeking out private clients rather than concentrating solely on Federally-funded programs. However, the attraction of non-Federal funds did not occur in a vacuum. Denver Mobility enhanced its marketing efforts.

The most recent innovation was the addition of a full-time Marketing and Development Manager to assume responsibilities for three specific areas:

- Sales;
- Service; and
- Public Relations.

Sales

Denver Mobility, Inc., sets itself apart from most other specialized transportation providers by earning about 90 percent of its revenue from sources other than the Federal Government. It has about 50 contracts, many of which are with nursing homes and hospitals. DMI's philosophy is one of self-sufficiency and profit.

Although DMI is a non-profit provider, it factors in a slight profit when it writes a local contract. According to DMI Executive Director, Sandy Broder, the provider does not write new contracts on a "break-even basis". Such activity does not threaten its non-profit status because the small profit registered falls well within legal restrictions. The benefit of this small profit is that it allows the provider to pump funds back into expansion and capital equipment. One important phase of the marketing manager's job is to attract these new contracts.

Service

A marketing program, no matter how aggressive, cannot function efficiently if its main thrust is simply to replenish contracts that expire or that are spirited away by other providers. In order to keep its clients, DMI sends the Marketing and Development Manager to its clients. DMI's Marketing and Development Manager assumes the role of a service representative, who listens to clients' concerns, and informs them of new services, or new funding opportunities.

Public Relations

DMI Director Sandy Broder calls public relations "Imaging". Denver Mobility, like any successful business, is concerned about maintaining the image of an aggressive, innovative, and growing transit service. Although "imaging" is accomplished through a newsletter, much of the job requires contact with the Denver business and political community. DMI also has a large and influential board of directors to further cement its links with the community.

Vehicle Maintenance

"We can do it cheaper ourselves than if we farm it out." Although that is one of the most important reasons given by DMI Director Broder for deciding on in-house vehicle maintenance, it is not the only reason. The provider also feels that by doing its own vehicle maintenance it keeps better control over how the work is performed.

Immediacy is the other force behind Denver Mobility's decision. The system has discovered that it can cut vehicle downtime by staggering amounts. For example, if an alternator should go bad on a mini-bus, it would take at least a day's time for an outside garage to do the repair work. But under DMI's program, if a minibus is determined to have a bad alternator at 8 a.m., the vehicle can be back in service by 10 a.m.

DMI does all its own mechanical work, with the exception of transmissions and alignments. The two-bay garage, attached to the provider's building, operates seven days-a-week, from 6 a.m. to 11 p.m. Denver Mobility employs three full-time mechanics and a fleet manager. Maintenance is based on a schedule of 4,500 road miles, with each vehicle being serviced monthly.

Risk Management

DMI has a zero-tolerance drug and alcohol abuse policy. That is, if drivers are determined to be under the influence or test positive for drugs or alcohol, they are dismissed. Drivers do, however, have the option of having their specimens checked by a second laboratory.

Denver Mobility has also instituted a policy of drug testing all new drivers. Although it does not have a random testing program, any driver involved in an accident with damage exceeding \$500 must submit to a urine test.

Naturally, there was some concern expressed by drivers when they learned that their employer was instituting a drug testing policy, but their fears were quickly dispelled by the positive way in which DMI handled the situation. Several months prior to the actual implementation of the program, Denver Mobility had speakers come in to address the concerns of the drivers, thus leading to a smooth transition.

DMI's risk management uses a "stick and carrot" approach. The "stick" is the drug testing program, but the "carrot" is the Employee Assistance Program. Employees and their families are offered free counseling through a private firm. Services available through this innovation include:

- Drug and alcohol counseling;
- Referrals for legal services;
- Family and marital counseling; and
- Financial counseling.

One of the most attractive features of the Employee Assistance Program for the provider is its cost. Denver Mobility provides this service to its employees at a total cost of about \$1,500 per year. That works out to approximately \$24 per employee, per year. Although the counseling is strictly confidential, drivers understand that if anything is discovered in their counseling that indicates the driver's condition could cause him to endanger others while performing his job, such information is given to DMI.

WHAT ARE THE RESULTS?

The growth of Denver Mobility, Inc., has been nothing short of phenomenal. From starting out on a shoestring with one contract and one vehicle,

DMI has become the busiest non-profit transportation provider in Colorado. It now has 35 hourly paid drivers and eight full-time salaried employees, including the Executive Director, a Marketing and Development Manager, an administrative manager, two accountants, and three reservationists.

Computer Innovation

As a result of its growth, and the diversity of requests, Denver Mobility has instituted an innovative computer system that handles scheduling, reservations, routing, and automated billing.

With a computer-assisted transportation system, DMI is able to easily complete a great amount of clerical work that had previously been very time consuming. Since each trip is paid for by a specific funding source, contracts are built into the computer system. The computer automatically figures the pricing of the trip and hold that in its memory. When DMI's accountants need to bill clients, they simply call up the trip by contract code. The computer then figures the total fare per client, per day, per trip and puts them in order and directly onto the general ledger.

Denver Mobility has not had to hire any additional employees to handle its new custom designed system. In fact, the provider predicts it will eventually lead to a decrease in its accounting staff.

Profit Is Not a Dirty Word

The concept of profitability in a non-profit organization sometimes raises eyebrows, but DMI appears to have a firm handle on its philosophy and what it is doing to carry out that philosophy. It has left Denver Mobility in the enviable position of having a little extra money with no strings attached. Although the profit figure, by law, must be kept relatively low, the money helps defray the cost of some contracts which are below the break-even point. In addition, it permits the provider to invest some funds in expansion, without turning to outside sources.

CONCEPT TRANSFERABILITY

DMI has instituted some innovative programs that lend themselves to adoption by other systems in whole or in part.

The zero-tolerance drug and alcohol abuse program is firm and workable. Many non-profit

providers would be hard-pressed to come up with the funds to pay for the rehabilitation of an employee who is a substance abuser, and many do not enjoy the luxury of having non-sensitive jobs to which the employee can be transferred. That means , for many providers, that the only practical decision to be made in the case of an employee who is a substance abuser is termination.

DMI has had some problems with accidents. That led to a substantial increase in insurance premiums. Denver Mobility was forced to change carriers in order to get a better rate. It remains to be seen whether the newly instituted drug and

alcohol policy will lead to a further reduction in insurance costs. Before considering a possible move to contract vehicle maintenance, providers should take note of DMI's experience with self-maintenance. DMI's Executive Director has noted the strong need for supervision in this area of operations.

The move toward profitability appears to work for DMI, but other providers should take a long look at what is involved in such a move. It requires an aggressive marketing campaign and it also, in the case of DMI, meant a departure from Federal funds - a move which many other providers might not be able to even consider.

KITSAP PARATRANSIT

COORDINATING THE ENTIRE COUNTY

BACKGROUND

The economy of Washington State has thrived, largely, through its link to transportation--shipping in the Puget Sound, the railroad lining the Sound, and the aircraft industry, the State's largest employer. And it is in Kitsap County, on the Puget Sound, that transportation is still integrating itself into the lives of the people in one of the most successfully coordinated transit systems in the West, Kitsap Paratransit.²⁹

Institutional Framework

Washington's transportation coordination is directed at the State level, but its real power can be found in its Regions. The Department of Social and Health Services and the Department of Transportation oversee coordination efforts, while implementing the system through Regional Transit Authorities (RTA). The RTA's demand coordination as a prerequisite to awarding 16(b)(2) funds. They will not fund an agency or provider unless there is validation of coordination with other agencies. Some providers would like to see more direct action at the State level. The President of the State's transit association has written to the Governor asking his assistance in an effort to have transportation resources handled by a single source. Operators in Washington, just as in every other state, argue that a major barrier to coordination is the burden of paperwork and the duplication of reports for various funding sources.

Kitsap Paratransit, however, is in a unique position regarding coordination. It does not have to depend on State mandates for coordination. Kitsap Paratransit's mandate is local and it comes from the officials of Kitsap County. Kitsap is one of the most coordinated counties in the State, but the County's mandate guaranteed that it would be that way. Kitsap Paratransit is the only provider of specialized transportation in the county. Elected officials determined that they wanted their system to be centralized, and they have held staunchly to that concept - a fact that the Director of Kitsap Paratransit says, makes her job all the easier. All

agencies needing specialized transportation service in the county must coordinate with Kitsap Paratransit if they are to get services.

Another unusual form of coordination occurs between Kitsap Paratransit and the county's public transit provider, Kitsap Transit. Kitsap Transit, which is not connected with Kitsap Paratransit, owns the vehicles. Kitsap Paratransit contracts with the public provider for use of the buses and their maintenance.

PROGRAM DESCRIPTION

Kitsap Paratransit was established to provide transportation services for handicapped, elderly, and otherwise disadvantaged citizens.³⁰ When the provider took on the task of being the County's sole specialized transit operator in 1980, it served just two agencies, had six vehicles, and provided 2,000 passenger trips per month. In two year's time the numbers had grown to 24 vehicles and 8,000 passenger trips per month. Successful coordination in 1982 resulted in the phenomenal growth of Kitsap Paratransit. The provider joined with community groups to mobilize voters to approve a .03 percent sales tax, allowed by State statute to match available State transportation funds. Since the passage of that measure, the provider's funds have come from the Kitsap Public Transportation Benefit Area Authority, Medicaid, and private donations. Kitsap Paratransit is responsible for 80 vehicles, 140 employees, and provides 25,000 passenger trips per month. The operator also serves three other counties (Jefferson, Pierce, and Clallam), bringing the system-wide total to over 40,000 trips per month.³¹

BEST PRACTICES

Risk Management

Kitsap Paratransit is thriving, largely because of its excellent coordination efforts. But regardless of what a transportation provider does outside of its operation, if the inside of the organization is not

sound and efficient, all the coordination possible could not produce a good transit system. This is where risk management comes in - avoiding a problem before it occurs through conscientious planning and dedicated implementation. Driver training is a "Best Practice" which appears in a number of the case studies in this Guidebook, and in each case, there is a nuance or innovation that sets one training program apart from another.

Kitsap Paratransit's driver training program takes candidates through five days of concentrated instruction - and if the trainers decide a candidate has not properly grasped the necessary information in five days, training will be extended to a sixth day, and a seventh, if necessary. The following outline of the provider's training program is by no means complete. It is meant to give the reader some indication of the depth of instruction. Kitsap Paratransit's actual training program outline is nearly five pages long.³²

DAY I

- 8-9 Welcome
- 9-10 Organizational Orientation
- 10-12 Field Observation
- 12-3 System Orientation
- 3-4:30 Operator's Manual; Department of Licensing Handbook

DAY II

- 9-10 Fleet Introduction
- 10-3 Bus Operation
- 3-5 Passenger Assistance Techniques

DAY III

- 8-10 Record Keeping
- 10-4 Bus Operation
- 4-5 Operation Introduction

DAY IV

- 8-4:30 On-Road Experience With Trainer

DAY V

- 8-4:30 Hands-On Training

Computerization

Kitsap Paratransit has further streamlined its internal operations by going on-line with as much information as possible. In fact, the provider has two computer systems.

One of the systems is a management tool, giving an overview of how the provider is operating.

- Where are the trips being made?
- How many vehicles are out?

- What kinds of passengers are being transported?
- How many passengers are being transported?
- Are the vehicles on schedule?
- How many wheelchairs are being handled?

The other computer system utilized by Kitsap Paratransit is a dispatch system. It keeps track of reservations, repeat trips and other scheduling matters. The provider's dual system also handles billing, listing trips by contract source.

The provider has worked with its dispatch program "Rides Unlimited" for a number of years and has it honed to the point that it is now selling the system to other providers. Kitsap Paratransit, is, however, a non-profit entity and is not allowed to receive revenues from the sale of the computer program. The program is distributed by Paratransit Services International, a for-profit organization.

RESULTS

If Kitsap Paratransit's operation could be put in the context of a mathematical formula, that formula would read:

COORDINATION = GROWTH

In eight years, the provider's passenger trips per month have grown by 1,800 percent. This phenomenal expansion would have been impossible in an environment where barriers were erected by local officials. Kitsap Paratransit owes much of its success to the commitment of County officials to keep specialized transportation coordinated.

It should also be noted that Kitsap Paratransit has no marketing program, as such. By virtue of the fact that it is the only provider of specialized transportation in the County, all agencies and individuals needing special transportation have but one choice - Kitsap Paratransit. The local newspaper has been very supportive and has printed a number of favorable stories about the operation, which amounts to **free marketing**. The provider gets that kind of exposure because it extends its coordination effort outside the realm of transportation, by maintaining a good relationship with the local press.

It is difficult to assess the effectiveness of risk

management. If risk management works, there is little or no data to interpret, with the exception of positive indications. By putting its drivers through a comprehensive training program the operator is investing in a future with fewer problems and a well-informed work force.

Fulfilling the needs of 17 different contracts has not been the confusing and exasperating experience that it could have been. Kitsap Paratransit turned to automation to solve the dilemmas that can arise in a multi-faceted system. Computers not only give the administrative staff immediate data on fiscal matters, but they also free up valuable employee time that otherwise would have been spent on clerical work.

CONCEPT TRANSFERABILITY

It is quite likely that some providers, especially those in sparsely populated areas, will find themselves in the same general position as Kitsap

Paratransit -- serving as the only specialized transportation operator in a municipality. What must be in place for such a provider to replicate the success of Kitsap Paratransit is a strong local or State commitment to specialized transit. Coordination comes naturally in that situation.

The provider reports acceptance of its computer program has been very encouraging. The system is sold, however, by a for-profit organization and the provider is unable to share in the fruits of the transactions because of its non-profit status.

One of the first and most essential steps a provider can take in risk management is driver training. Since most systems already provide some form of instruction to their new drivers, an upgrade in the training could be feasible. The groundwork is in place with the existence of a training program. Providers could find that it is an improvement which will pay untold benefits.

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VOLUNTEER PROGRAMS

OATS, INC.

A TRADITION OF VOLUNTEERISM IN TRANSPORTATION

BACKGROUND

"Traditionally it has been the volunteers in this country who have been best...when it came to solving human problems. They have time and again taken awesome problems and turned them into challenges - then set about finding answers to them. No human dilemma has been too overwhelming for volunteers to tackle - education, health, disease of every kind, old age, poverty, the list is endless."¹

Although these may sound like the words of some sage observer of the American system, they are not. They are observations found in the volunteer handbook of a transit system in Missouri.

Volunteerism is not new to Missourians. There are many accounts in the history of the State when volunteers were called upon to serve their communities and their country.²

It is out of this tradition that the Organized Alternative Transit System, Inc. (OATS, Inc.) has emerged as one of the largest and most successful specialized transportation systems in the country.

OATS began as the Cooperative Transportation System under a grant from the State of Missouri's Office of Aging in 1971. Its mission was to provide rural transportation to elderly and handicapped persons. These were humble and earnest beginnings with only three buses serving eight mid-Missouri counties. In 1973 the system changed its name to Older Adults Transportation Service and became a nonprofit organization. This new status allowed OATS to solicit donations. Then, in 1980, OATS again modified its original mission and expanded its carrier services to become a provider of transportation to the general public. OATS underwent another name change to more accurately describe its function - Organized Alternative Transit System, Inc.³

OATS has grown significantly. It now provides transportation, with 180 buses, for the elderly and handicapped rural residents of 88 of the state's 114 counties. Missouri's counties cover an area of 69,674 square miles, most of which are rural. OATS serves all but the southeastern quarter of the State. According to a 1987 report, the total rural population of Missouri is almost 1.6 million,

and it is estimated that approximately 14 percent of the population in the area (225,000 people) is either handicapped or elderly.⁴

Institutional Framework

Despite OATS' obvious success, the Missouri Council on Special Transportation and, particularly, the Missouri Highway and Transportation Department (MHTD) are supporting a study to assist 20 regions to identify components of a regional, coordinated transportation system. The State's present policy, enunciated through the Council, is to encourage private companies to provide specialized transportation services. OATS, Inc., believes it has successfully demonstrated coordinated services since 1971 through centralization of service contracts.

The Missouri Council on Special Transportation, formed in 1985, consists of legislators, consumers, and officials of the State agencies on health, aging, transportation, and elementary and secondary education. It is the Council's position that (1) the existing level of funding could provide more service with the money in one transportation "pot"; (2) before coordination can be achieved, the State agencies need to begin to look at transportation in the State as a system; and (3) there must be strong local involvement in the creation of transportation providers (Medicaid, Aging, Public Health Service, etc.).

The Council has hired a consultant, with the use of Section 8 discretionary funds, to update a previous 1983 study of Missouri's 20 regional planning areas.

PROGRAM DESCRIPTION

The mission of OATS, Inc., is to provide the highest quality, personalized transportation for those who would otherwise do without. OATS makes it possible for people to live active, independent lives in their own communities.⁵ Most transportation is advance reservation, demand-responsive, door-to-door service. There are also some fixed-routes for regularly scheduled transportation services from schools and sheltered

workshops. Volunteer dispatchers use a priority trip list:

- Medical (other than emergency - OATS is not an emergency medical service);
- Essential Shopping/Essential Business;
- Nutrition (trips to and from nutritional programs in recognized senior centers); and
- Group Travel and Contract Tours (Trips for recreational purposes. Trips do not interfere with regularly scheduled days of service and the cost is divided among participants).

OATS has a fleet of 175 maxi-vans which can each normally carry seven to fourteen passengers. The system has 74 vehicles which are equipped to handle handicapped persons.

Funding

During fiscal year 1987-1988, OATS served an estimated 910,000 passengers, and its buses traveled approximately 3,700,000 miles. OATS negotiated contracts totaling more than \$3,000,000 in operating funds through Title XX of the Social Security Act, as administered through the Social Service Block Grants; the Older American's Act; and the Missouri Elderly and Handicapped Assistance Program funds for mentally handicapped (Department of Mental Health and local tax dollars from the county level); rider contributions, fundraising efforts; and small contracts with businesses and community groups.

To receive these funds, OATS contracts with the following Area Agencies on Aging: (1) Central Missouri Area Agency on Aging; (2) District III Area Agency on Aging; (3) Mid-America Regional Council; (4) Mid-East Area Agency on Aging; (5) Northeast Missouri Area Agency on Aging; (7) Region X Area Agency on Aging; and (8) Southwest Missouri Office on Aging.

OATS also has contracts with the Missouri Highway and Transportation Department, the Department of Mental Health, and the Division of Family Services of the Department of Social Services. About 22.4 percent of its funding is from the Urban Mass Transportation Association (UMTA) Section 18 and 16(b)(2).

In 1987 OATS expanded its operations by creating a for-profit subsidiary, Flextran. The system is operating its own charter tours and

special contracts through Flextran.⁶ Profits from this operation supplement Section 18 and 16(b)(2) match requirements.

BEST PRACTICES: OATS Organization and Management of the Volunteer Network

The walls at OATS headquarters are covered with national awards. To name a few: the system received the 1986 UMTA "Outstanding Public Service Award" for its success in developing an extensive network of volunteers; the 1986 National Safety Council "Award of Merit" for an excellent employee safety record; and the 1987 "Operator of the Year Award", given at the Community Transportation Expo in Indianapolis.

The backbone of the OATS system is its volunteer network. Since its beginnings in 1971, the volunteers have been integral to OATS' operations. **The creative use and organization of this grassroots support is the key to the accomplishments of the system.** Most of the 1,200 volunteers are elderly persons who contribute about 82,000 hours of service annually. Most are over 60 years of age and the average age is 70 years.

Organization and Management

That there are very few cases of OATS, Inc., being unable to provide transportation services on request, is a tribute to 17 years of management experience, and to the commitment of the volunteer grassroots network.

OATS, Inc., is governed by a Board of Directors, which makes policy decisions. The Board consists of two elected directors from each of OATS' seven service areas which range in size from four counties to 18 counties. The Executive Director of OATS carries out the policies of the Board. The Assistant Executive Director/Operations Director is charged with the everyday operation of OATS.

OATS, Inc., has a total of 47 salaried full-time administrative employees and two part-time employees. In addition to its central office, OATS has seven area offices, of which five are rural, and are staffed with an Area Manager, one coordinator, and a general clerk. One urban office is staffed with an Area Manager, a secretary, and four coordinators. OATS employs approximately 200 drivers who are paid hourly wages for regular full-time and relief operations.⁷

Area Managers are salaried staff, responsible for the daily operations of the seven area county offices. This key group of managers reports to the

Assistant Executive Director/Operations Director.

County Committees

Within each county, there is a grassroots volunteer support group called a County Committee. The members are elected for a specified term by a majority vote of the OATS membership in the county. The committee size and length of the terms are determined by each county's by-laws.

These County Committees are entrusted with specific responsibilities:

- **Raise** 20 percent matching funds for the purchase of vehicles;
- **Raise** all funds necessary to support the local expenses of the OATS county committee;
- **Prepare** monthly bus schedules;
- **Coordinate** the work of all contacts and volunteers;
- **Receive, hear, review, and resolve** complaints;
- **Encourage** the involvement of riders, contacts, and volunteers;
- **Work** closely with drivers and Area Managers;
- **Approve** the spending of county committee funds;
- **Report** all volunteer hours and non-reimbursed expenses individually using the monthly Volunteer Hour Form; and
- **Promote** OATS by word-of-mouth and use of local media.⁸

County Committees, which are encouraged to meet monthly, ensure the representation of all local communities. The Committees raise funds to support OATS' services and bills incurred by volunteer contacts and Committee officers (e.g., phone bills, mileage expenses, fund raising events, and, of course, for the bus "match"). Committees are asked to raise \$1,200 each year per bus for their county.

Area Managers

The Area Managers are central to the OATS system. They must be managers, supervisors, diplomats, organizers, negotiators, and judges. Their varied responsibilities are to:⁹

- **Direct** vehicle use and maintenance in their respective counties;
- **Approve** schedules;
- **Supervise** drivers and area office employees;
- **Enforce** safety rules and regulations; **administer** safety policies and procedures;
- **Establish** and **authorize** load requirements;
- **Provide** driver training;
- **Coordinate** County Committee activities;
- **Resolve** complaints that cannot be resolved at the Committee level; and
- **Coordinate** and **approve** group travel, charter tours, and long-distance medical trips.

Volunteer Contacts

Volunteer Contacts, who serve as dispatchers, are located in every telephone exchange in rural areas to accept reservations for trips from pre-established schedules. They work out of their own homes, using their own telephones. In this way, OATS avoids the need for an office in every county, and also avoids toll calls for users.

OATS Contact Volunteers, who are directed by Area Managers, must:

- **Coordinate** trip schedules in any one of seven area offices;
- **Prepare** passenger lists for each trip and relay them to drivers, **handle** scheduling calls from riders, and **explain** trip cost guidelines to new riders;
- **Participate** in fundraising to cover expenses and/or secure local match funds for the purchase of new buses; and

- **Represent OATS to local business persons, government officials, and community leaders.**

The time accrued by volunteers for in-kind services is closely tracked in order to meet matching requirements to obtain Section 18 and other funds. Volunteer Hour Forms are printed each month for this purpose in the *OATS WHEEL*, the transportation system's monthly newspaper. (Exhibit 1)¹⁰

These unpaid workers are the "eyes and ears" of OATS in their communities. The *OATS Inc., Official Volunteer Handbook* states their role very clearly.

"As an OATS volunteer, you are the source of information on OATS, Inc., policy for the community in which you live. You alone, may shape the community's opinion of the entire organization. For this reason, it is very important that the OATS volunteer be well informed about OATS and be able to deal diplomatically with questions from community residents."¹¹

The OATS volunteers bring local needs to the attention of OATS management. "They are the ones who keep OATS from becoming a giant, impersonal transportation company..."¹²

Volunteer Training and Recognition

Each OATS service area holds comprehensive training sessions for all County Committee officers and Volunteer Contacts. Volunteers receive training on all phases of OATS' operations, from scheduling to the placement of local media advertisements. Training is also accomplished at monthly County Committee meetings.

OATS is aware of the value of recognition and support for its cadre of volunteers. Through the organization of county committees, the volunteers are encouraged to meet monthly to deal with ongoing issues and concerns. OATS honors the work of its grassroots network annually at area-wide volunteer dinner meetings. A "Volunteer of the Year" is chosen from each county and highlighted in the *OATS WHEEL*.

RESULTS

OATS was the first model of a comprehensive regional specialized transportation system for the rest of the country.¹³ Since its inception, it has grown into the largest program of its kind, with a service area of nearly 70,000 square miles. OATS

has demonstrated a wealth of knowledge in the business of operating a coordinated system over large geographical areas and has realized the economy and efficiency of such a system.

As a result of its success and nationwide recognition, potential providers and organizations, planning to establish transportation systems, contact OATS for advice and guidance. OATS' driver safety and vehicle maintenance programs are renowned. The free monthly newspaper, *OATS WHEEL*, which includes such features as the bus schedule for each county, local meeting reports, driver and volunteer recognition, and a Social Security question and answer column, is being replicated by other programs. OATS' innovative fundraising projects have been promoted throughout the specialized transportation community.

The OATS volunteer network is exemplary in that it derives considerable success from this grassroots volunteer support system which it is committed to and continues to cultivate. OATS' use of its volunteer network has provided the organization with a solid local partnership, while reducing operation costs required to run such an extensive transportation system.

CONCEPT TRANSFERABILITY

The OATS experience is invaluable for those establishing volunteer, specialized paratransit systems that are **reliable, effective, and efficient**. Three characteristics of OATS that are crucial to its success bear repetition:

- **OATS meets the needs** of the predominantly rural elderly and disabled residents.
- OATS, for 17 years, has **recruited, nurtured, and motivated** a grassroots support network, comprised principally of persons aged 60 and over.
- The OATS system is **cost-effective**. Volunteer hours are carefully recorded. In-kind contributions represented \$300,000 to \$400,000 for Fiscal Year 1988. The fact that volunteer dispatchers operate from their homes reduces overhead, overhead, salaries, and other administrative costs.

Perhaps the basic question planners might have is: "Where would one begin building a volunteer rural specialized transportation program?"

OATS' ability to meet the needs of its clients year after year is the result of strong local control and participation in the administration and delivery of transportation services through the County Committees, volunteers, and the make-up of the Board of Directors. Volunteer Contacts, drivers, users and Committee members live in the same communities. They share common values, mutual concerns, and a vested interest in cooperating to meet the needs of their peers and neighbors. It is for this reason that resolution of problems is first attempted at the County Committee level. Concerns involving individual users, for example, are best handled at the local level. Potential providers of volunteer transportation systems should first establish an advisory planning group, or similar mechanism, for input on needs, actual passenger demand, initial start-up, management, funding, etc.

OATS' vast volunteer network is supported by an organizational structure, wherein salaried staff assume responsibility for key functions (e.g., vehicle purchase, driver training and supervision, and volunteers). Other functions are shared with County Committees. In the OATS model of decentralized management, Area Managers are crucial to smooth, coordinated local operations. They communicate with the County Committees, the Volunteer Contacts, the drivers, and the OATS administrative staff (the Assistant Executive Director/Operations Director). Area Managers are not only supervisors and managers, but they are also the facilitators.

Finally, no volunteer organization can function without a system for acknowledging the

commitment and contributions of volunteers. A final report describing common characteristics of volunteer transportation programs stated:¹⁴

"In order to keep morale high among volunteers and to reduce their turnover rate, programs must develop methods to allow volunteers to give suggestions and advice regarding improvements in the operation of the program. Programs must actively show appreciation to volunteers through award ceremonies and other activities for their contributions to the program."

The report cited four ways to promote morale, all of which are accomplished by OATS.

- Hold award dinners and luncheons featuring remarks by prominent community workers.
- Publish a newsletter, and include feature articles about individual volunteers.
- Provide bumper stickers, window decals, or other visible means by which to identify the individual as a program volunteer.
- Sponsor picnics, annual outings, or other activities for volunteers.

The keys to OATS success - **creating a system to involve the community in all phases of the program, meeting each community's specialized transportation needs, and systematically nurturing volunteers** - can be replicated by planners or managers of other volunteer systems.

Exhibit 1

VOLUNTEER HOUR FORM

Please return by December 3, 1988

OATS, INC.

VOLUNTEER HOUR FORM

REPORT TIME ACCORDING TO THE FOLLOWING: Receiving calls from people wanting a ride, Recording those requests, Reminding people of their rides, Relaying information to driver. Attending OATS meetings, fundraising, publicity (displays, talking to people about OATS)

MAIL TO: OATS, Inc. 100 East Texas Columbia, Mo. 65202-1554

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	NOVEMBER 1988		
NAME _____			DO NOT WRITE IN THIS SPACE		<input type="checkbox"/> CONTACT <input type="checkbox"/> COUNTY COMMITTEE MEMBER <input type="checkbox"/> OTHER	
ADDRESS _____						
CITY _____ COUNTY _____ ZIP _____						

AREA IV AGENCY ON AGING AND COMMUNITY SERVICE

AN ALL-VOLUNTEER COMMUNITY SYSTEM IN WESTERN INDIANA

BACKGROUND

The Area IV Agency on Aging and Community Service is a private non-profit corporation originally chartered in 1973 by the State of Indiana to serve as the Area Agency on Aging for eight counties in the Western part of the State. In the ensuing years the Agency began receiving funds and it expanded its services to address the needs and problems of all low-income and disadvantaged individuals and families living in its service area. That led in 1984 to the Agency being designated a Community Action Agency, as well as an Area Agency on Aging, allowing for the more effective coordination of services.

In 1983, the Area IV Agency began working to establish a rural transportation program to respond to the unmet needs of the 275,570 persons living in its service area. The small towns in this 3,460 square-mile rural area were without public transportation, except for the Lafayette area's Municipal Transit System.

The Area IV Agency provided funds and supervised a demand-response system for the elderly and elderly handicapped. Due to insufficient funds, this program fell short of meeting the specialized and human service transportation needs of many elderly living in rural, more isolated areas. The program also could not address the needs of the other transportation-disadvantaged, including youth, living in those communities.

In April 1985, Area IV submitted a Section 6, Research, Development and Demonstration Assistance Grant to the Urban Mass Transportation Administration (UMTA) to develop a specialized, volunteer transportation program, patterned after a successful system in Huntsville, Alabama. The grant was approved September 1985 and the program began operating on April 1, 1986. The objectives of this innovative specialized and human service transportation system are to:

1. Make affordable, cost effective, flexible, rural, public transportation available to residents of communities that are willing

to share the responsibilities for providing the transportation.

2. Reduce Federal, State, or local government operating subsidies for gasoline and drivers for this program by having each community pay for its own gas, and recruit volunteer drivers.
3. Enhance the dignity, participation, responsibility and sense of ownership of the public transportation user and the community served by this program.

Five rural communities were asked to participate in this new project. They were selected according to population, distance from the Greater Lafayette area, size of the elderly and low-income populations, and availability of the demand-response system, funded by the Area IV Agency. The communities and total population were:¹⁵

Clarks Hill - 653 persons;
Brookston - 1,201 persons;
Hillsboro - 561 persons;
Rossville - 1,148 persons; and
Waveland - 559 persons.

PROGRAM AND SERVICES

In designing a transportation service to truly meet the needs of rural persons, Area IV took into account the characteristics of typical rural living. The agency discovered that many rural communities offer few goods and services, and people must plan carefully for trips made into larger urban areas to satisfy those needs. During inclement weather, or when seasonal responsibilities won't allow, they often postpone trips, only to reschedule at a later time.

The Area IV Agency decided that the service must:

1. Provide flexibility to allow for rescheduled trips;
2. Meet the basic survival needs;

3. Enhance the quality of life;
4. Have no established priority kinds of trips; and
5. Provide this service totally with volunteer labor.

Two types of trip services were identified as appropriate for the five communities. All the communities operate a number of advance reservation scheduled trips during the weekdays to larger urban areas, and within their own communities as well. These trips are scheduled on the same day each month, with a specific departure time and a flexible return time. If there are no passengers, the runs are cancelled, thus conserving fuel and volunteer driver time. Passengers are picked up at their homes if they cannot get to the central pick-up point.

In order to meet the diversified schedules of rural citizens, the providers schedule more flexible trips for a broader segment of the population. These trips can be scheduled for any day of the week or on weekends (except on days when the fixed-scheduled trips are taken), and for any hour. These trips are also made by reservation, with the first person who contacts the scheduling office determining the trip destination. If the passenger cancels, the trip is not made.

The five communities have all established 10 to 15 mile service areas, and anyone living within the designated areas is eligible for the service. There are no established fees for rides, but passengers are encouraged to donate toward the cost of the fuel. Most riders are elderly; youth makes up the second largest group. Both groups need the transportation because rural life can mean long periods of isolation. The availability of the service has enhanced their lives and expanded their social opportunities.

Vans are serviced every quarter and repaired as needed. Drivers check their vehicles before each trip and respond verbally, and in writing, about any problem to the authorized person on the Operating Board. Problems are then reported to Area IV for repair authorization.¹⁶

Funding

Under the two-year demonstration grant, the Agency paid for five 15-passenger vans, all maintenance and insurance costs, and costs associated with coordination and monitoring.¹⁷

The Agency requested UMTA Section 18 funds, to continue operations after September

1987. The grant applicant had to be a government entity, and the Town Board of Waveland agreed to perform that role.¹⁸

The application was approved by the Indiana Transportation Advisory Group, a group consisting of representatives from the State Board of Health, the Department of Mental Health, Rehabilitative Services, Department of Aging, and the Community Service Transportation Planning Office.¹⁹

Area IV's transportation program now receives Section 18 funding for vehicle maintenance and administrative expenses. Volunteer hours of the Operating Boards and van drivers are recorded and used as a local match.

BEST PRACTICE: SHARED RESPONSIBILITY

This innovative program is noteworthy because of its volunteer component and partnership responsibilities. The partnership, where each entity shares responsibility for providing the transportation and paying costs involved, has proven to be both affordable and cost-effective.

The five Town Boards entered into a Cooperative Agreement (Exhibit 1) with the Area IV Agency on Aging, agreeing to plan and operate the systems at the local level. The Town Boards designated other people from their communities to manage the program. The volunteers making up the Operating Board of Directors are from all walks of life and all ages, representing a cross section of community people.

Operating Boards

The Operating Boards of Directors are made up of from seven to ten elected community residents who meet either monthly, bi-monthly, or quarterly. Each is governed by a constitution and by-laws. Each Board has established four committees to respond to the organizational needs of the program. These committees are:

1. Scheduling, which is responsible for the on-going scheduling of the vans and drivers.
2. Public Relations, which determines and initiates the publicity necessary to advertise the project.
3. Fundraising, which is responsible for generating income for the project.

4. Volunteer Drivers, which is responsible for recruiting and maintaining up-to-date information on vehicle operations.²⁰

Characteristics of the Boards

The concept of a volunteer Board completely administering an ongoing service is not only new to these communities, but it is also new to the field of rural public transportation.

An evaluation, performed by the Automotive Transportation Center of Purdue University, described eight common characteristics of the Boards:

- The local leadership of all boards was relaxed and informal, which is consistent with the type of leadership most effective with volunteer organizations. The study, however, recommended a more task-oriented leadership style.
- All Boards met their major goal of establishing a transportation service in their communities. The evaluation saw the need to define new objectives directed toward improving services and operations.
- All Boards maintained careful records on donations received, dollars spent on gas - line, and extra equipment purchased.
- The Boards, according to the study, needed to improve their planning. It was strongly suggested that the Agency provide training in this area. Because these Boards depend on volunteer labor, good planning is important in order to focus their limited resources on achieving specific objectives.
- Each Board had been able to solve prob - ems effectively. Because issues involved persons who lived in small com munities, problem-resolution required more time than it would have in a less intimate setting.
- The responsiveness of the Operating Boards to the community was difficult to assess. In order to better respond to the transportation needs of their citizens, the report emphasized the Board's

responsibilities to actively obtain input from community groups.

- The management structure of all Boards was adequate for successfully administer - ing these transportation services.
- All Boards were committed to supplying a quality service to their respective commu - nities.²¹

The report concludes:

"The local operators of this program are new to transportation. Overall, the Operating Boards are comprised of a good cross section of hard working individuals who are committed to the tasks of providing a vital, needed transportation system for these communities. **Because those people are all volunteers, however, and have potential for stagnation due to the volunteer nature of the system, it has been, and will continually be, extremely important for the Area Agency personnel to work closely with and monitor these boards. It will always be important to observe possible problems as they develop and to help make necessary changes before these problems become major ones.** Such efforts will serve to solidify the Boards and ensure their continued progress. The Area Agency personnel has the expertise to help these systems remain strong as local planners and operators. It is a cooperative partnership, and the success of this program relies heavily on that partnership."²²

Volunteer Drivers

The 15 volunteer drivers, ranging in age from 21 to over 70, live within the transit service areas. They are selected by the Operating Boards on the basis of good character and reputation within the community.

All drivers have a Public Passenger License, are expected to have completed first aid and CPR training, and attend Defensive Driving Training, which are all supplied by the Area IV Agency. Drivers must be listed with Area IV's insurance company, and anyone not listed, is not allowed to drive a van.²³

It is the responsibility of the van drivers to submit monthly trip sheets to the Area IV office. These sheets are used for the Transportation Quarterly Report, which is sent to the Operating Boards as documentation of the service provided in each community.

The program's accident-free record has been attributed to the fact that the drivers are members of the small communities in which they drive, and that low-frequency, advance reservation trips put

less pressure on the work schedules of those drivers.

RESULTS

The Purdue University Automotive Transportation Center's 1987 evaluation comprehensively surveyed the Area IV volunteer transportation system. It concluded that the community systems, in partnership with the Area IV Agency on Aging, are successful because they have the right combination of attributes and service to satisfy the typical travel demands for the communities they serve. A combination of trip demand, organization of service, and use of volunteers gives this system such outstanding performance results. The volunteer approach to rural transportation can be successful when the passenger potential remains small, allowing the program to be managed by volunteers.

CONCEPT TRANSFERABILITY

A Cooperative Agreement, such as the one implemented by the Area IV Agency on Aging

and Community Services and the host community, is central to the successful development of programs for small, rural areas. While the communities maintain their diversity, they must also share some common elements:

1. The approval and verbal support of the local, governing Boards, and an Operating Board composed of people who know their community and are committed to the concept.
2. The absence of any other transportation service in the service area.
3. A program monitor and service agency willing to guide and assist the Operating Boards in setting up and running these services.
4. Use of a reservation based/volunteer driver operating system.²⁴

Exhibit 1

COOPERATIVE AGREEMENT

Between

The _____ and the Area IV Agency on Aging and Community Services, Inc., agree to provide transportation services to persons of all ages in _____ and the surrounding area, under the Area IV Special Demonstration Volunteer Transportation Project. The _____ will hereinafter be referred to as the Host Community; the Area IV Agency on Aging and Community Services, Inc., as the Project Agency.

Both parties acknowledge the receipt of good and valuable consideration supporting the terms and conditions of this agreement which is as follows:

1. This agreement shall become effective on _____ and shall continue until _____, at which time, a new agreement may be negotiated.
2. It is understood and agreed that the transportation services provided herein are in compliance with Title VI of the Civil Rights Act of 1964, and that no discrimination be made on the basis of race, color, sex, national origin, or physical or mental handicap for the provision of this service.
3. The Host Community will recognize the complete authority the Project Agency has for approving all the plans made for the operating of the transportation project as well as authority to void any plans that are thought of as unnecessary or are in conflict with the intent of the project.
4. If, with good reason, and after consultation with the Host Community, the Project Agency feels the transportation program needs to be terminated, the Host Community will return the vehicle to the Project Agency in a condition equivalent to that in which it was received, allowing for normal wear and tear.
5. It may be necessary to make new rules regarding the transportation program and to present these changes to the Host Community. If the Host Community would not agree to these changes, the program would be immediately terminated.

The Host Community Agrees To:

1. Manage and operate the affairs of the Volunteer Transportation Program, either directly through the Town Board or through the establishment of a Transportation Operating Board of Directors. See Attachment A.
2. Furnish volunteer drivers to drive the van designated for this transportation project.
3. Pay for all gasoline costs that are incurred while serving the community
4. Submit trip reports by the fifth of each month, showing the number of trips provided plus any other information required by the Project Agency.
5. Deliver the vehicle herein to the Host Community by the Project Agency to the Project Agency Office for the vehicle's quarterly preventive maintenance and safety inspection on the dates so designated by the Project Agency, or with new vehicles, inspected as required in the warranty.

The Project Agency Agrees To:

1. Grant the use of the motor vehicle identified as follows to the Host Community: _____
2. The named insured on the insurance policy will be the Project Agency and the insurance will provide coverage to the drivers from the Host Community. The insurance coverage is as follows:
 - Single Limit Liability - \$500,000
 - Medical Payments - \$2,000
 - Uninsured Motorist - \$500,000
 - Comprehensive Actual cash Value Less \$100 deductible
 - Collision Actual cash Value Less \$250 deductible
3. Pay for all routine maintenance.
4. Purchase license plates as they come due.
5. Pay for all necessary repairs during the term of this agreement.
6. Provide for preventive maintenance and safety inspection on vehicle herein to consist of, at a minimum, oil change and filters, inspect points and plugs and replace as needed, check air filter, lubrication, and visual inspection of all belts, hoses, and tire tread wear.
7. Provide for First Aid/CPR Classes for all volunteer drivers and a Defensive Driver's Course whenever possible.
8. Provide technical assistance to the Host Community when such assistance is required.
9. Has authority to regulate safety standards, including a safety inspection of vehicles by the volunteer drivers on a regular basis.
10. Provide for the painting of the name of the transportation project on the van.

HOST COMMUNITY ACCEPTANCE:

PROJECT AGENCY AGREEMENT:

Signature of Secretary

Signature of President of Area IV Board
of Directors

Typed Name

Typed Name

Date

Date

The Secretary was authorized to sign on behalf
of the Town Board, and this was authorized at a
Town Meeting on _____.

Attachment A

The town board agrees that the Operating Board will do the following:

1. The membership of the Board shall consist of the Directors and other members as may be elected from time to time by the Board of Directors. Members who shall be elected by the Board of Directors may be removed by the Board of Directors with just cause.
2. It is anticipated that a minimum of seven to ten members make up the Operating Board of Directors.
3. Members of the Town Board shall advise and assist the Operating Board of Directors in managing the affairs of the Volunteer Transportation Project, unless the Operating Board is made up of the Town Board.
4. A majority of the members of the Operating Board must be present to take any action on the management and operation of the affairs of this Volunteer Transportation Project.
5. The Operating Board of Directors shall meet at least quarterly. The times and places of meetings of the membership shall be designated by the Board.
6. Special meetings of the Board of Directors may be called by the President or a majority of members of the Board. Notice of each special meeting shall be communicated to all Board members before the date of the meeting, and shall state the purpose for which the meeting is called, and the time and place it is to be held.
7. The Officers of this Operating Board shall be a President, Vice President, Secretary and Treasurer, and other officers as may be deemed necessary, and who are appointed by the Board of Directors. Any two offices, except the offices of the President and the Vice president, may be held by the same person.

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3. *Private Sector Experience in the Provision of Specialized Transportation for the Elderly and the Handicapped*, Hope Associates, Inc., July 1987, p. P-1.
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6. *ibid.*, p. 12.
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15. *Area IV's Specialized, Volunteer, Transportation Program*, Area IV Agency on Aging and Community Services, August 1987, p. 1.
16. *ibid.*, pp. 2-3.
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19. Michael J. Greene, *Coordinating Rural Transit: Stretching State Resources for Better Service* Council of State Governments, 1987, p. 23.
20. *op. cit.*, Area IV Agency on Aging and Community Services, p. 4.
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**REGIONAL AND STATE LEVEL
COORDINATION MODELS**

REGION IV TRANSPORTATION CONSORTIUM

CASE STUDY IN COOPERATION

BACKGROUND

That a straight line is the shortest distance between two points is a fact certainly not lost on transportation providers. And just as it is more efficient to drive a bus on a direct route rather than a circuitous one, it is also more productive when planning transportation services to set goals and then develop the most efficient ways to reach those goals. But the keys to getting from the idea stage to the implementation stage are cooperation and committed action. When providers, agencies, advocacy groups, and government entities are working at cross-purposes, or when they are all trying to arrive at the same point by traveling different conceptual routes, chances are few, if any, will reach their goal.

It is with this in mind that a most effective consortium was formed with the purpose of expanding coordination in public and specialized transportation. The next few pages concentrate on that process and illustrate how goals can become a reality when a path is firmly established to reach those goals, and all parties involved cooperate fully in a step-by-step organized and efficient process.¹

ORGANIZATIONAL HISTORY

November 1984

The idea of a Region IV Transportation Consortium (RTC) was born in November 1984 in Atlanta. Representatives of various Southeastern States were planning a regional technical training workshop to be held there in July 1985. It was not surprising that participants voiced the possibility of expanding state cooperative arrangements to other transportation activities.

July 1985

At the subsequent Atlanta training workshop, organizers, administrators of State DOT's, and human service programs agreed to pursue the idea of a consortium.

Even at this early stage, the organization decided on a strategy to ensure as much official backing from the States as possible.

The Governors of each State were requested to designate individuals as official representatives on the Organizing Committee.

July, August, September 1985

The Governors of the Southeastern States (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee) and the territory of Puerto Rico appointed representatives during July and August 1985.

At the Organizing Committee meeting in September, in Atlanta, each State selected a "Lead Official" who would have one vote, that would also reflect the interests of other State appointments to the Organizing Committee. The "Lead Officials" drafted by-laws for the consortium. Each state organizer identified major issues and objectives for the consortium.

November 1985; February 1986

Draft by-laws were developed in November and were adopted in February 1986 by the full organizing committee. Lee Alexander, Executive Director of the Alabama Transit Association, was selected chairman of the group. Participants decided to report to the Governors and to request appointments to the Region IV Transportation Consortium.

December 1986

Two years after the birth of the consortium idea, the first official meeting of the Region IV Transportation Consortium was held in Atlanta on December 5, 1986. The members refined the committee structure and established an agenda. The structure is a model that works and can be replicated. The goals and purpose of the Consortium as stated in its by-laws are:²

"GOALS: To enhance transportation services for the residents of Region IV through improved, cost-efficient, and stable transportation delivery.

PURPOSE: As a consortium of States, to review and analyze critical issues affecting public transportation services; and, through cooperative action, policy

initiatives, and enhancing the delivery of technical assistance, seek to promote and encourage a stable transportation environment. For the purpose of these by-laws, public transportation shall be defined as the conveyance of human passengers from the general public or selected groups (i.e., medical, educational, transportation-disadvantaged)."

The group views itself in the following way:

"The consortium presents a unique opportunity for state governments in the Southeast to cooperate on issues and opportunities in public and specialized transportation. On one hand, it is an organization which clearly has potential in affecting improvements in State and Federal relationships on transportation policy. On the other, it provides an excellent framework for inter-state exchange of technical information. Perhaps most significant, the consortium represents a practical model of cooperation and coordination by public and specialized transportation interests on the state level."³

BEST PRACTICE: A UNIQUE PILOT EFFORT

The Region IV Transportation Consortium (RTC) has been funded by the Urban Mass Transportation Administration (UMTA) and the U. S. Department of Health and Human Services (DHHS) to implement an exciting two-year project designed to achieve two purposes: "It will enable government leaders and administrators of public/specialized transportation programs to work cooperatively on transportation policy issues and on the exchange of technical knowledge. A major focus of this effort will be the identification of areas where Federal regulations, or the interpretation of Federal regulations, impose a barrier to coordination of services and to more effective use of public resources. Such findings will be communicated to the newly established Federal Coordinating Council."⁴

The program scope incorporates three major elements: Policy Development, Technology Transfer and Special Studies.⁵

Policy Development

Taking a lead from the Federal Agreement on the Coordination of Transportation Services between the Department of Health and Human Services and the Department of Transportation, the Consortium will research and establish ways of achieving cost-efficient use of resources. The group will accomplish this task by adopting administrative and management practices in member States that further encourage coordination by sharing technical resources, and

by exploring cost-effective alternatives to public operation of services within the scope of Federal statutes.

Technology Transfer

The implementation of a technology transfer program will apply a "circuit rider approach". Historically, a "circuit rider" was a minister generally assigned to a rather broad area and whose job was to carry his message from place-to-place. This roving preacher also carried news of what was happening in the far ends of his wide-ranging parish to those in other parts of the parish. The RTC's Transportation Project Manager (the circuit rider in this case) will be the conduit for technology sharing with the member States. Each State would benefit from sharing common experiences and solutions applied elsewhere in the Southeast.

Special Studies

A special study will be conducted to collect information to support the two major elements of the Program Work Scope, i.e., Policy Development and Technology Transfer. State procedures and organization of programs will be reviewed, and this information will be gathered into a resource document that will outline each State's process. This data will provide the basis for some preliminary analysis to underscore effective State initiatives. The data will also be used to develop special reports on specific barriers to coordination and optimum use of public resources.

Coordination Barriers

The Consortium demonstrates that barriers to coordination can be overcome if there is a commitment among State governments to cooperate.

The priority of the special study described above focuses on the resolution of the ten (10) barriers to coordination identified by the RTC on December 2, 1987, including:⁶

- There should be a State oversight agency in each State to administer Head Start activities. Currently, no such oversight exists, which means Head Start programs often operate in conflict with numerous State regulations and policies.
- Title III of the Older Americans Act of

1965, as Amended, states that "...funds appropriated under this title may be used to purchase transportation services for older individuals and may be pooled with funds made available for the provision of transportation services under the Rehabilitation Act of 1973, and Titles XIX and XX of the Social Security Act". The interpretation that Title III funds may only be pooled with funds available under the three sources cited is a barrier to coordination.

- Various transportation data that DHHS recipients collect to justify funding should be waived when a DHHS recipient enters into an agreement with a public transit operator.
- Passenger assistance training is needed relative to DHHS and UMTA grantees' transportation programs (i.e., drivers, escorts).
- There is no provision for State administrative monies for Section 9 administration. There is an inability to coordinate with other agencies also experiencing this lack of administrative funds.

- Uniform safety standards are needed for coordinated programs between UMTA and DHHS.

The data, experiences, success, and lack of success will be forwarded to the Federal Coordinating Council. This information will be used to form models for other regions.

CONCEPT TRANSFERABILITY

The Region IV Transportation Consortium demonstrates that when there is a strong spirit of cooperation, a perseverance to realize goals, and a commitment to create necessary changes in transportation policy and service delivery, it is possible to achieve:

- Communication at the highest levels of State government;
- Political leverage;
- Cost-savings;
- Research, development, and demonstrations; and
- Technology transfer-sharing innovations and solutions.

COORDINATION IN FLORIDA: A STATEWIDE COMMITMENT

BACKGROUND

"Teamwork keeps the wheels rolling"⁷ writes Jo Ann Hutchinson, Executive Director of Florida's Coordinating Council on the Transportation Disadvantaged (CCTD). Florida has found the key to success.

Of the State's 67 counties, 60 now have coordinated, specialized transportation systems. The State of Florida's Coordinating Council has been in existence for only seven years and represents a model "Best Practice" in statewide coordination.

It is appropriate that Florida is on the "cutting edge" in providing coordinated transportation services for the transportation disadvantaged. "Nearly 18 percent of Florida's 1983 population was 65 years of age or over - the highest percentage of all the states and 50 percent above the U.S. average."⁸ In addition to the disproportionate number of elderly in the state, Florida's disabled population is third highest in the nation.

Only a few decades ago, almost none of the experts would have predicted that Florida would become the fourth-ranked state in population, exceeding the industrial giants - Pennsylvania, Ohio and Illinois. It is expected that the 1990 census will show Florida trailing only California, New York and Texas. Florida is expected to exceed New York by the year 2000, becoming the third most populous state,⁹ which makes statewide coordination imperative, if the delivery of social services is to keep pace with the explosive growth in Florida's population. Coordination of paratransit services has been so successful in Florida that the legislature is seeking ways to eliminate the duplication of services in other social services delivery systems.

BEST PRACTICES: THE COORDINATION MECHANISM

Advocates for improving the mobility of the elderly, the disabled and low-income families -- the transportation disadvantaged -- achieved passage of Chapter 427, F.S. in 1979. The law required coordination of transit services at the county level.

This led to the State legislature creating the Coordinating Council for the Transportation Disadvantaged in order to foster coordination. The Council:¹⁰

- Establishes statewide transportation objectives;
- Develops policies and procedures for Federal and State-funded coordination;
- Analyzes and tries to eliminate coordination barriers;
- Serves as a clearinghouse for information on transportation needs and funding;
- Assists in developing transportation systems;
- Assures that procedures, guidelines and directives issued by member departments are conducive to coordination; and
- Approves and coordinates programs using the public school bus system.

The Council is chaired by the Secretary of the Florida Department of Transportation (FDOT), who is appointed by the Governor. This body promotes the direct involvement of those closest to the delivery of services to the transportation-disadvantaged. Key State agencies that receive and administer funds are required to be members of the Council, as are representatives of the elderly, the disabled, and the economically disadvantaged. The result is coordinated funding. The Secretary of the Department of Labor is an ex officio member of the Council because the Job Training Partnership Act provides funds for transportation. In addition, two transit providers representing urban and rural areas are also members.

The legislation granting the CCTD a ten-year extension is slated for re-enactment in 1989. The

bill would also increase the autonomy of the Council by raising it to the level of a Commission.

How Coordination Works¹¹

The FDOT is responsible for carrying out the policies and procedures of the Coordinating Council, which include:

- Preparing a five-year statewide transit development plan (approved by the Council);
- Monitoring applications for all transportation-disadvantaged program funds;
- Designating Council-approved local planning organizations in non-urban areas to plan for transportation service coordination;
- Coordinating all programs with appropriate State, local and regional planning agencies; and
- Ensuring compatibility, efficiency, and cost effectiveness of systems.

The FDOT also administers the Urban Mass Transportation Administration (UMTA) Sections 18 and 16(b)(2) programs. (Only a small amount of State funds is used for service development programs. The State is prohibited from providing operating assistance to transportation providers.) The UMTA Section 9 programs are directly funded to local areas with Departmental oversight in some cases. Total State and Federal funding for the FDOT is approximately \$11 million.

While the FDOT is responsible for implementing coordination policies, each urban and non-urban planning organization chooses (with CCTD approval) a community transportation provider. The FDOT then works with service providers to develop a cost-effective coordinated transportation system.

What Are the Steps In the Coordination Process?¹²

1. Each Metropolitan Planning Organization (MPO), Regional Planning Council (RPC), or Local Planning Organization (LPO) develops a plan for the transportation disadvantaged. The plan includes estimated revenue, expenditures, and transportation needs. Participants in the

planning process include human service agencies, transportation providers, and members of the population needing service.

2. The FDOT develops a state-wide Coordinated Transportation Improvement Program from the plans submitted by the RPC's. Plans are updated December 1 of each year, and the FDOT verifies and consolidates all transportation budgets annually, by April 1.
3. Each MPO and LPO designates one or more transportation providers, who may also subcontract services (with the consent of the CCTD). This selection is based on proposals submitted to the MPO or LPO, according to procedures and criteria established by the State Council.
4. The provider works with the local transportation department and all local agencies receiving State and Federal funds to develop an operations plan. This plan becomes a Memorandum of Agreement between the FDOT and the provider. The agreement includes legal provisions and a three-year operations plan. It is approved locally and by the CCTD.
5. The provider then enters into individual purchase of service contracts as outlined in the agreement.
6. At the end of 120 days, the FDOT conducts a review of the system and makes any necessary adjustments to the operations and finance plans.
7. A local Transportation Disadvantaged Technical Advisory Committee is formed to receive input, review grant requests, and maintain a level of continued coordination.
8. Local transportation departments monitor the plan, provide technical assistance, and conduct annual reviews, including assessments of services, fares, and coordination.
9. After a review by the Technical Advisory Committee and local approval of any changes, the CCTD receives a new or

renewed Memorandum of Agreement to consider for approval.

WHAT ARE THE RESULTS?

Even though Florida has achieved outstanding results in a mere seven years, the process of coordinating is certainly not an easy one. Among the more controversial actions taken by the Council, as part of the legislative mandate, was the establishment of approved practices for local providers (Chapter 41-1 of the Administrative Code). This action generated a furor and the policies were modified. The detailed duties of providers are specified by the county or MPO, based on the state-wide five-year plan.

At the local level, agencies continue to control their funds and to determine client eligibility, client fees, and travel authorizations. Florida's system permits maximum local flexibility, and the State's political, cultural, and economic diversity demands this approach.

The achievements resulting from these are innumerable. We highlight three areas: confronting coordination barriers, networking/advocacy and information dissemination.

Confronting Coordination Barriers

Lack of Funding for Start-up and Continued Coordination Planning

The Coordinating Council successfully completed Florida's Statewide Five-Year Transit and Paratransit Development Plan for the Transportation-Disadvantaged.¹³ The plan represents the first effort to develop a statewide comprehensive data base. Volume Three (3) of the five (5) volume report describes Federal, State, local and private funding sources and their availability. Volume Five (5) addresses issues in funding and finance, planning management practices, equipment, utilization, and technical assistance.

The Council continues to locate and secure additional transportation funding.

Coordination with Schools

According to the CCTD Executive Director, "Thousands of transportation-disadvantaged Floridians rode public school buses last year (1984). Many of these riders were able to partake in life-sustaining and enrichment activities that were previously inaccessible to them. Trip destinations included educational facilities, health

care centers, shopping malls, H.R.S. offices, congregate meal sites, and locations that met recreational and social needs. Section 236.0835 of the Florida Statutes authorizes funds to be distributed to school districts to replace school buses. To participate, each school district must negotiate an acceptable Joint-Use Program to serve the transportation-disadvantaged."¹⁴

By Fiscal Year 1987, 51 Florida counties had approved programs, which served one or more of the following groups: elderly, handicapped, or economically disadvantaged. Many counties served two or three groups. Statewide, there were 199 buses operating in Joint-Use Programs (an average of 3.5 buses per district). The programs included, but were not limited to:

- Head Start;
- Congregate Dining;
- Job Training Partnership Act;
- Health and Rehabilitative Services;
- Community Colleges; and
- Division of Blind Services.

Standardized Accounting and Reporting Requirements: Reducing Paperwork

Florida's legislation requires that each designated provider use a standard reporting format. The Council supports efforts of the state DOT to standardize accounting and systems management for statewide application.¹⁵ Florida is also a member of the Transportation Accounting Consortium.

Networking/Advocacy/Legislative Initiatives

The Council develops and maintains liaisons with national and State organizations in its role as a clearinghouse for funding sources and innovation. In addition, the Council testifies at the State and national levels, and educates politicians and decision-makers on issues related to specialized transportation.

This activity has resulted in the following legislative initiatives:

Handicapped Toll Legislation

This legislation was titled the "Beverly

Chapman Act" because Ms. Chapman had experienced difficulty in tossing coins in toll baskets. As a result of the Act, those handicapped drivers meeting established criteria were able to travel free through all toll facilities. The CCTD was asked by the FDOT to certify these drivers for vehicle decals. To date, approximately 60 handicapped drivers have received these decals. The FDOT monitors and enforces the program.

Insurance Coverage for Coordinated Providers/ Subcontractors

The Council obtained passage of Senate Bill 221, which allows coordinated providers or their subcontractors to join the State Risk Pool. The coverage is for vehicle liability only, at the State limits of \$100,000/\$2,000,000. Amendments were added, however, that require these vehicles to be titled to the State. A coverage date of January 1, 1989 was anticipated.

Information Dissemination

A State could have wonderful systems for the transportation disadvantaged, but if the disadvantaged know nothing about them, the services might as well not exist. Recognizing this fact, the Council publishes a newsletter, *Special Delivery*, which provides updates on transportation issues and innovative approaches. The council also operates two toll-free hotlines, so citizens can express their needs or problems.

Providers and others now have access to a library of technical and professional publications, and equipment and vendor directories. In addition, the Council maintains a computerized list of all coordinated provider systems in the State.

Recognition of Excellence

At the Annual Provider Workshop in 1988, a number of Florida's transit providers were honored for their 1987 achievements.¹⁶

- The Bay County Council on Aging received the "Urban Provider Award" for demonstrating excellence as one of the best coordinated systems statewide, and for expanding quality and cost-efficient services.
- The Central Florida Regional Planning Council received the "Rural Provider Award" for outstanding efforts in

implementing coordinated services in Highland, Hardee and DeSoto Counties; for providing quality service for the disadvantaged of those counties; and for achieving cost-effective service delivery utilizing the private sector.

- The Coordinated Transportation System of Alachua County received the "Special Achievement Award" for documenting cost savings through coordination, developing a non-sponsored program using school buses, and making use of the private sector.
- Also receiving certificates for operational, productivity, efficiency, and maintenance categories were: Lake-Sumter Mental Health, Sumter County Association for Retarded Citizens, Sarasota Friendship Centers, Pinellas County MPO, Santa Rosa Council on Aging, Tri County Community Council, Flagler County Council on Aging, Suwannee Valley Transit Authority and Big Bend Transit.

CONCEPT TRANSFERABILITY

There is no "right" way to achieve coordination, but examining the Florida model can be a useful beginning. Even if statewide coordination is a distant vision, the mechanisms that already exist may be a place to start.

It cannot be overemphasized that executive and/or legislative leadership at the State and local levels are important leverages for attaining better coordination of specialized and human service transportation. It is the nature of bureaucracies to operate out of past practices and procedures. In Florida, advocates of the landmark legislation armed themselves with the data needed to educate and convince politicians that coordination makes sense.

The Florida case demonstrates that associations of providers, clients and agencies can cooperate, resulting in:

- Communication and information dissemination on "best practices" in the state
- Innovative fund-raising efforts
- Joint-Use School Bus Program

- Cooperating to resolve barriers to technical assistance from the "lead" agency.

The key is teamwork. Individuals or groups have to be willing to exercise committed action to

organized the advocacy necessary. Leadership is an intangible quality that we have not mentioned before, but leadership is evident in all the States and transportation systems that have been successfully coordinated services.

SOUTH CAROLINA

A STATE TACKLES TRANSPORTATION CHALLENGES THROUGH COORDINATION

BACKGROUND

South Carolina could be described as three States geographically: the "low country" or coastal area and sea islands; the pee dee, rolling hills; and the more mountainous region of the Blue Ridge. This varied topography presents unique challenges to the coordination of transportation services.

THE ROOTS OF COORDINATION

As new industries poured into the State, the existing public transportation system strained to keep pace with the expansion, but it became obvious that providers, communities and agencies, working on their own, were not equal to the task. In a State that was still actively seeking new industries, public transportation was not among the advantages which could be offered to businesses considering the move.

The State legislature responded to the need for upgraded transit by passing a measure in 1973 authorizing Regional Transit Authorities (RTA). This laid the foundation for coordination, because coordination was paramount among the specific criteria for the existence of RTA's.

Despite this initial effort by the State, public transportation still fell short of the mark. A few years later, in 1977, the legislature established the South Carolina Interagency Council on Public Transportation. Its task was to make recommendations to the South Carolina Department of Highways and Public Transportation (SCDHPT). There was also a change in the administration of transportation in the State. In an assessment of what the legislative action meant to South Carolina, Jerome Noble SCDHPT's Director of Public Transportation says,

"Prior to 1977, when the legislature gave the Highway Department responsibility for public transportation, public transportation was only being rendered in about 11 counties...Today there are approximately 27 counties (out of 46) being served."¹⁷

The South Carolina Interagency Council on

Public Transportation provides a necessary link between providers and potential funding sources. It reviews and makes recommendations on local applications seeking State and Federal assistance (i.e., UMTA Sections 8, 16(b)(2), and 18, and FHWA ride-share). From its inception, the Council's membership was impressive:

- Governor;
- Lt. Governor;
- SCDHPT;
- Department of Public Services;
- State Energy Management Office;
- Department of Vocational Rehabilitation;
- Department of Education;
- Office of Motor Vehicle Management; and
- Seven appointed members (from the government and the private sector).

A 1981 amendment to the Interagency Council legislation expanded the council, making it even more responsive. Its membership was to include:

- Department of Mental Retardation;
- Chairman of the Senate Transportation Committee; and
- Chairman of the House Education and Public Works Committee.

MEETING THE CHALLENGES WITH "BEST PRACTICES"

South Carolina is a member of Region IV Transportation Consortium. (see case study on Region IV Consortium). Along with representatives from the Governors' offices of

Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, Puerto Rico, and Tennessee, the Governor's representative takes part in a unique approach to transportation coordination. The group reviews and analyzes critical issues affecting public transportation services, in order to promote a stable transportation environment through cooperative action, policy initiatives, and improved technical assistance.

The Consortium is launching an innovative two-year effort funded by the Urban Mass Transportation Administration (UMTA) and the Department of Health and Human Services (DHHS). Government leaders and administrators of public specialized transportation programs will work together on transportation policy issues and exchange technical knowledge. One of their main focuses will be to identify areas where Federal regulations, or the interpretation of regulations, impose barriers to coordination.

Despite all the progress at the regional level, the States still have their own particular circumstances. One of the most critical problems is **risk management**. South Carolina is approaching the concept of increasing efficiency and cost-effectiveness through risk management on a statewide level.

In a study made for SCDHPT, the members of the Consortium were asked about safety and risk management. Most of the States responded that they did not have formal safety and risk management guidelines. The study also revealed other significant facts:

- State regulation of transit safety varies considerably;
- Few States had specific safety operations criteria;
- Few systems required management involvement in developing safety and insurance-reduction programs; and
- Section 18, Section 9, and Section 16(b)(2) transit managers lacked experience in purchasing insurance, a situation which contributed to the lack of risk management programs.¹⁸

Risk Management Through a Classroom on Wheels

What was once a forgotten 7 1/2 ton metal hulk sitting at the back of a school bus lot has

been credited with reducing the number of accidents in South Carolina involving transit vehicles.¹⁹ It has been dubbed the "Silver Bullet", and it serves as SCDHPT's Mobile Driving Training Laboratory. An employee of the agency found the old bus and suggested that it be refurbished and used as a means of creating better public service transit drivers. The State liked the concept and funding for the "Silver Bullet" is now an item in the SCDHPT budget.

The agency does not have to seek out drivers to train in the mobile unit; in fact, it is booked up several months in advance. The free training service is made available to Section 18 and Section 16(b)(2) grantees, and other providers of specialized transportation service (Section 18 and 16(b)(2) grantees are given priority in scheduling).

The traveling classroom is equipped with two simulators which check the student's signaling, steering, and acceleration. The machines, which duplicate road conditions, keep track of speed, braking and transmission use, and any mistakes made by the students are recorded on a computer.

SCDHPT is so pleased with the acceptance of the Mobile Driver Training Laboratory that consideration is being given to the purchase of a new vehicle for the training. The agency would then like to convert the "Silver Bullet" into a mobile maintenance training laboratory.²⁰

Risk Management through the Vehicle Operator Safety Manual

The Public Transportation Division of SCDHPT and UMTA funded the preparation of the *South Carolina Public Transportation Vehicle Operator Safety Manual and Resource Guide*.²¹ This comprehensive manual covers the following areas of driver training:

- Vehicle orientation;
- Driving theory;
- Accidents and emergencies;
- Passenger relations;
- Disability awareness; and
- Substance abuse awareness.

The manual is an easy-to-follow guide with

reviews and questions throughout to reinforce the learning process.

Drivers, however, are not the only ones to benefit from the publication. The manual also has a section on incentive programs. Transportation managers use the manual to get suggestions on improving risk management through driver incentives. Among the topics specifically directed to transportation system managers are:

- Recognition programs (sample program provided);
- Motivational programs (sample program provided);
- Organizational climate;
- Participatory program development; and
- Employee training.

RESULTS

SCDHPT recently completed a two-year statewide transportation development plan. Consultants went into all 10 planning regions in the state to assist citizens in developing their transportation concerns, needs, objectives, and costs.²² As a result of what was learned during this process, SCDHPT has determined that the thrust in transportation coordination should now shift to the regional level. To bring this concept to fruition, the agency must face another challenge in coordination. It must convince the State legislature of the need to shift the focus of the transportation coordination effort to the regional level.

Statewide risk management efforts are paying immediate benefits. The "Silver Bullet" mobile training unit is reaching approximately 1,500 drivers a year in the State. The Director of the

SCDHPT Public Transportation Division puts it this way:

"We spend millions of Federal dollars every year on vehicles for the various public transportation providers in our State. We have to make sure that these vehicles are driven correctly and in a safe manner... In the Catawba Region, there was once a high accident rate involving public transportation vehicles, but after the drivers from the various agencies and authorities went through the training, the accident rate dropped significantly."²³

The *South Carolina Public Transportation Vehicle Operator Safety Manual and Resource Guide* should also lead to an upgrading of the public transportation driver force. Because the manual has only been in use a few months, it is difficult to estimate its ultimate impact.

CONCEPT TRANSFERABILITY

Coordination efforts by the State of South Carolina present a working example of what a commitment to statewide coordination can do to improve the delivery, safety and efficiency of specialized public transportation. Where there is no legislative mandate for coordination, the work of SCDHPT provides a framework to present to legislators, and a track record to prove to them the success of such an effort.

There is no reason to assume that some features of South Carolina's "Best Practices" cannot be made to work on a smaller scale. Coordination possibilities are available to communities, counties, or Regional Transit Authorities. Transportation providers and agencies might want to consider pooling expertise and access to funds to produce a comprehensive training manual. Even the "Silver Bullet" concept has applications at a local level. Potential users should take a cue from the South Carolina experience - start with a used vehicle. There is a strong possibility that other providers, agencies, and municipalities will ask for the kind of training unavailable elsewhere.

NEW JERSEY TRANSIT CORPORATION

OUTSTANDING TECHNICAL ASSISTANCE PROGRAMS

BACKGROUND

New Jersey Transit Corporation (NJ TRANSIT) was created by the State of New Jersey in 1979 to operate public bus and rail services, and to serve as a lead agency in the coordination of private and specialized transportation resources. The State Agency administers Urban Mass Transportation Administration (UMTA) Section 18 and 16(b)(2) programs, and provides technical planning assistance, and capital support to paratransit providers in the State.

NJ TRANSIT has consistently demonstrated creative and innovative approaches to meeting the needs of rural and specialized New Jersey transportation providers. For its commitment, NJ TRANSIT received the "State Agency of the Year Award" from *Community Transportation Reporter (CTR)*, a national publication serving specialized transportation. The State Agency has addressed barriers to coordination that transportation professionals across the country are also confronting. Three "Best Practice" initiatives of NJ TRANSIT have been selected for inclusion in this Guidebook:

- Management Information Systems Project;
- Promoting Risk Management in the State; and
- Public Education, Marketing, and Community Outreach.

In 1981, New Jersey voters approved a constitutional amendment permitting the use of casino tax revenues for transportation services for senior and disabled citizens. The Senior Citizens and Disabled Resident Transportation Assistance Program (SCADRTAP), created in 1984, appropriated 7.5 percent of the tax fund for the transportation-disadvantaged.

In fiscal year 1988, the fund provided \$13,950,000 of which 75 percent, by law, was allocated to New Jersey's 21 counties. The remaining

25 percent was available to the State Agency, NJ TRANSIT, to make fixed-service more accessible to senior and disabled persons; to provide technical assistance to the counties; and to administer the statewide program.²⁴

Funding Process

Every county in the State is eligible for casino revenue funds. The allocation formula is based on the county population of persons 60 years of age and older.

The counties may use the funds for key transportation-related purposes:

- Capital.
- Operating and/or Administrative expenses to provide locally coordinated paratransit services for senior citizens and disabled persons.

The Act, which establishes minimum and maximum levels of funding for each county, stipulates that funded services must be additional and/or expanded services, and cannot be used to "substitute" other funding sources previously committed to special transportation services.

Transportation providers prepare a service plan as part of their annual application. After a review process, which involves local committees, the Board of Freeholders, and public hearings, county applications are submitted to NJ TRANSIT. Each county is required to appoint a citizen advisory committee, similar to a NJ TRANSIT committee which is appointed by the system's Executive Director.

NJ TRANSIT reports,

"The Casino program makes a substantial difference in the lives of senior citizens and persons with disabilities. People who could not otherwise participate in everyday activities are able to visit friends, go to work, (and) improve their quality of life. SCADRTAP supports regionally organized, better equipped, accessible transportation programs throughout the State" ²⁵

"BEST PRACTICES" IN COORDINATION AND TECHNICAL ASSISTANCE

Management Information System (MIS)

Of the 21 New Jersey Counties, 18 are scheduled to fully participate in the routing and scheduling aspect of the MIS project.

All counties will, however, meet the minimum requirement of electronically transmitting end-of-the-month statistical reports to NJ TRANSIT - the original goal of the project.

The MIS staff recognized that to accomplish the goal, a computer would have to be involved from the very initial call requesting transportation services. In other words, service procedures -- routing, scheduling, managing client records, vehicle operations, and maintenance -- would have to be automated. This realization changed the course of the initial project concept.

In the summer of 1987, the first implementation was undertaken, following a year and half of generating support statewide, conducting feasibility studies, and navigating the procurement process. The MIS staff unveiled the computer hardware and software at a meeting of participating counties. The goal of the seminar was to prepare participants for automation, to obtain "hands-on" experience, and to share experiences implementing the system.

To date, 11 counties have installed their operating systems. The system is customized for every county. In other words, each county has a version of the software that meets its requirements. While implementation has been made more difficult, the trade off is the fact that the counties are more willing to participate.

NJ TRANSIT is implementing the recommendations of the Transportation Accounting Consortium (TAC) which urged statewide systems. New Jersey is the only state to take this coordinated approach to automating paratransit operations.

NJ TRANSIT gives this assessment of the program:

"The immediate benefits of computerizing are realized every day as progress continues in the areas of improved information management, increased vehicle productivity, and uniform reporting methods. The future benefits of intercounty electronic communications and the possibility of state-of-the-art electronic vehicle dispatching and monitoring remain on the horizon. All these benefits mean better service to our riders."²⁶

■ NJ TRANSIT's MIS staff publishes a monthly

newsletter, *PERFECT ROUTE*, which keeps county programs informed about the MIS project and related issues.

Risk Management Initiatives and Coordination

- **Paratransit Driver Training** - The Passenger Assistance Techniques program (PAT) is an 11-hour course which teaches the safest ways to assist passengers who are semi-ambulatory, visually impaired, frail, or require the use of a wheelchair. In fiscal year 1988, 106 drivers from county-sponsored paratransit programs took advantage of the training.
- **Paratransit Roadshow** - New Jersey has held four of the annual events under the sponsorship of the statewide Council on Special Transportation. With NJ TRANSIT providing technical assistance and other services, counties enter their two top drivers in the competition designed to test driving skills. Trophies are presented to the top four drivers, with additional prizes going to the top three finishers.
- **"Managing for Safety" Workshop** - NJ TRANSIT held a two-day conference in 1987, bringing together paratransit operators from all 21 counties and vendors from New Jersey, New York, and Pennsylvania. The meeting provided an opportunity to discuss safety-related programs, ranging from driver selection to insurance. On the local level, counties organized safety committees which hold training classes. These classes are open to counties that do not have programs.

Innovations in Public Education

- **Media Arts Award** - The creative and innovative approach of NJ TRANSIT won the first annual "Outstanding Achievement in Public Education Award", presented by the New Jersey Developmental Disabilities Council and the Governor's Committee on the Disabled. The Agency was credited with demonstrating that senior citizens and disabled persons can lead fuller lives with the aid of specialized transportation.

- **Marketing and Community Outreach** - NJ TRANSIT goes directly to the public with its message. It distributed over 10,000 "Accessible Service Information Kits" to senior citizens and disabled persons; and through providing lift-equipped bus demonstrations, the Agency reached over 50,000 mobility-impaired persons in Fiscal Year 1988.
- **Coordination in Marketing** - NJ TRANSIT is using direct mail to market accessible service to more than 1,500 agencies and organizations. The agency, working with the staff of the NJ Library for the Blind, created a 30-minute radio program to acquaint the visually impaired with transit programs available in their counties.
- **Draft Manual on Vehicle Specification** - In an effort to publish a final manual on vehicle specifications, NJ TRANSIT developed a draft document which is being distributed to all paratransit providers for comment. The manual suggests prototypes for vans, mini-buses, and mid-size buses.

RESULTS

The impact of the initiatives undertaken by the award-winning Corporation can be summarized as the following:

- The availability of casino revenue funds has enabled New Jersey paratransit systems to expand services.
- The Management Information System (MIS) is expected to be fully operational in 1991. Eleven counties, as of the October 1, 1988 annual report, have implemented systems. The more diverse paratransit programs (Monmouth County, for example) are now coming on line.
- The MIS confronts and resolves barriers to coordination, particularly by easing the reporting burden.
- The experience of developing and implementing the system has opened new possibilities for networking, coordination, and communication between the

State Agency and the counties.

- Efficiencies at the provider level have affected the agencies providing medical and social services. For example, it is essential that input include the time medical appointments will be completed, forcing doctors and medical personnel to maintain time-lines. The Director indicated that paratransit providers are getting the cooperation of treatment facilities.
- Risk management issues in New Jersey have become a State level priority. Counties are coordinating training with other counties. NJ TRANSIT is also focusing on vehicle specifications and ambulances.
- Through the use of Casino Revenue funds, NJ TRANSIT expanded the Rural Transit Assistance Program (RTAP) to include operators who are not eligible for rural or capital assistance funds. The NJ TRANSIT RTAP program features ongoing driver training and technical assistance for small transit managers and staff. A small portion will be used for research, peer-to-peer counseling, and information sharing.

CONCEPT TRANSFERABILITY

Automation

NJ TRANSIT's coordinated approach to automation has attracted inquiries and requests for advice from all around the country. The statewide network computer system resolves most barriers to coordination, resulting in benefits such as:

- Reduction of the paperwork reporting burden;
- Allocation of resources based on sound management data;
- Resolution of client eligibility issues; and
- Efficiency and effectiveness in the delivery of services.

Perhaps, the question of most interest is "Where to start?" What were the key development and implementation steps?

1. NJ TRANSIT first accomplished two tasks, beginning January 1986.

- Team Building, and selling the idea of a statewide computerized system. (One of the biggest concerns was that automation would eliminate jobs. Although that has not happened, Project Manager, Pamela Young, indicated transit managers will be forced to reassess their staffing needs, when vacancies occur.)
- Feasibility studies to determine the requirements and costs of the State's diverse array of paratransit systems.

2. The next steps were to analyze available hardware and software on the market, decide on hardware and software needed, prepare Requests for Proposals, and move the project through the bureaucratic procurement process.

3. Counties purchased their own computer hardware and software from vendors.

4. MIS was ready for the first implementation in the summer of 1987. The more complex systems were among the last to be automated. The MIS staff wisely decided to get as much experience as possible. For example, Monmouth County's highly diversified system was not implemented until March 1989.

Staffing

This massive undertaking is being accomplished with four staff members :

- 1 Director;
- 1 Analyst/Programmer - 100%;
- 1 person responsible for installation and training statewide; and

- 1 person for documentation, in anticipation of the need for 18 Users' Manuals.

It is apparent that staff expertise and commitment are key factors, along with communication and effective networking. The newsletter, mentioned earlier, fostered information exchange, and a comfort level among providers knowing that the problems are "part of the territory" when implementing a computerized system. The MIS staff is encouraging counties to establish User Groups, as forums for exchanging information and solving problems.

Risk Management Initiatives

State sponsored paratransit rodeos, and safety workshop have several advantages:

- State participation emphasizes the importance of effective risk management;
- Coordination is encouraged;
- Drivers are motivated to master safe driving skills and passenger assistance techniques; and
- Consistent application of risk management policies and procedures occurs.

Provider associations and county and local governments can replicate NJ TRANSIT's risk management initiatives.

Public Education, Marketing, and Community Outreach

Marketing and public education not only expand service, but also create an environment that fosters coordination. Keeping organizations informed, even those which are not coordinated, is an excellent public relations strategy.

Local radio and cable television must, by law, offer time for public affairs programming. Media offer opportunities to inform the community, while promoting paratransit services to the public, to social service agencies, and to users of paratransit services.

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DESCRIPTION OF FEDERAL PROGRAMS

**DEPARTMENT OF TRANSPORTATION,
URBAN MASS TRANSPORTATION ADMINISTRATION**

SECTION 9 FORMULA TRANSIT ASSISTANCE FOR URBANIZED AREAS

AUTHORIZING LEGISLATION:

Law: Urban Mass Transportation Act of 1964, as amended

Section: 9

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Transportation (DOT)

Operating Division: Urban Mass Transportation Administration (UMTA)

Administering Office/Center/Institute: UMTA Regional Offices (in ten Federal regions)

STATE ADMINISTERING AGENCY/GRANTEES:

In most cases, grants are made directly to local public bodies designated as recipients. A few States administer the Section 9 program for cities with populations under 200,000.

PROGRAM DESCRIPTION:

General

The Section 9 Formula Transit Assistance for Urbanized Areas Program is UMTA's major transit formula assistance program for areas with populations over 50,000. The program provides grants to urbanized areas for mass transit planning, operating, and capital purposes. Section 9 grants are available to finance planning, acquisition, construction, improvement, and operating costs of facilities, equipment, and associated capital maintenance items used in mass transit service.

Transportation Services

The DOT's Section 594 regulations require all recipients of UMTA funds to establish programs to provide transit services for handicapped persons. Section 9 recipients may provide either special service, such as dial-a-ride, or taxi vouchers, an accessible bus system, or a mix of the two, as long as they meet minimum service criteria (the regulation is currently being reviewed, following a court decision striking down aspects of it).

Local communities have the major responsibility for deciding how the transportation should be provided. Recipients are not required to spend more than three percent of their total annual operating costs to provide service to handicapped persons. Services for handicapped persons are often coordinated at the local level with transportation services for the elderly and other human services clients.

PROGRAM ELIGIBILITY:

A single grant recipient for Section 9 funds is designated for each urbanized area with populations over 200,000. The State Governor or the Governor's designee is the designated recipient for areas with populations under 200,000. The designee recipient must be a public body.

Private for-profit or nonprofit transportation providers may receive funds through contracts with the designated recipient. By statute, all projects funded with Section 9 funds must be contained in the annual element of the area's Transportation Improvement Program.

FUNDING FLOW:

Section 9 program funds flow from the U.S. Department of Transportation to the State's designated grant recipients.

APPROPRIATED FUNDING:

Funding for Section 9 grants is authorized at a level of approximately \$2 billion per year. The formula apportionments to urbanized areas are published annually in the Federal Register.

APPLICATION PROCESS AND MATCHING FUNDS:**Application Process**

Private for-profit or nonprofit transportation providers must negotiate contracts with the area's designated recipient. Interested organizations should contact the Section 9 designated recipient for their areas.

Matching Funds

The Federal match for operating funds may not exceed 50 percent of the net project. The Federal match for planning and capital funds is 80 percent of the net project cost, although a designated recipient is permitted to provide additional local match at its option.

SECTION 18 PROGRAM OF TRANSIT ASSISTANCE FOR NONURBANIZED AREAS

AUTHORIZING LEGISLATION:

Law: Urban Mass Transportation Act of 1964, as amended

Section: 18

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Transportation (DOT)

Operating Division: Urban Mass Transportation Administration (UMTA)

Administering Office/Center/Institute: UMTA Regional Offices

STATE ADMINISTERING AGENCY/GRANTEES:

The Section 18 Program of Transit Assistance for Nonurbanized Areas is administered at the State level by the State transportation agency.

PROGRAM DESCRIPTION:

General

Section 18 of the Urban Mass Transportation Act of 1964, as amended, appropriates funds to each State for public transportation projects in nonurbanized areas with populations under 50,000. The goals of the program are:

- o To enhance access of people in nonurbanized areas to health care, shopping, education, employment, public services, and recreation;
- o To assist in the maintenance, development, improvement, and use of public transportation systems in rural and small urban areas;
- o To facilitate the coordination of programs and services funded by other Federal programs; and
- o To provide for the participation of private transportation providers.

Transportation Services

Program funds may be used for transportation planning, capital, and operating assistance to State agencies, local public bodies, nonprofit organizations, and operators of public transportation services.

PROGRAM ELIGIBILITY:

State agencies, local public bodies, nonprofit organizations, and operators of

public transportation services may receive program funds. The State transportation agency is responsible for informing eligible local entities about the availability of the program; soliciting applications; developing project selection criteria; reviewing and selecting projects for approval; and forwarding an annual statewide program of projects and grant applications to UMTA.

There are approximately 1,000 transit systems which receive Section 18 funding nationally. Interested community organizations and transportation providers should contact the Section 18 program manager in the State transportation agency for program and participant information.

FUNDING FLOW:

Funds for the program flow from the Department of Transportation directly to States. States disperse funds to community agencies and service providers selected to receive program funds.

APPROPRIATED FUNDING:

Funds are apportioned to the States by a statutory formula based on non-urbanized population. Apportionments are published in the Federal Register annually.

FY 1988: \$64,638,868

FY 1889: \$66,403,600

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process

Nonprofit organizations and transportation providers must submit applications to the State transportation agency to be considered for funding.

Matching Funds

Matching funds are required. Federal funds from other programs which are received by a local Section 18 operation through a purchase of service contract may be used for the required local match.

Matching requirements are:

- o Operating funds -- 50% Federal/50% local
- o Capital and project administration -- 80% Federal/20% local
- o State Administration -- 100% Federal

SECTION 16 (b) (2) CAPITAL ASSISTANCE PROGRAM

AUTHORIZING LEGISLATION:

Law: Urban Mass Transportation Act of 1964, as amended

Section: 16 (b) (2)

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Transportation

Operating Division: Urban Mass Transportation Administration (UMTA)

Administering Office/Center/Institute: UMTA Regional Office

STATE ADMINISTERING AGENCY/GRANTEES:

The State transportation agency or other agency designated by the State administers Section 16 (b) (2) Capital Assistance Program funds at the State level.

PROGRAM DESCRIPTION:

The Section 16 (b) (2) Capital Assistance Program provides grant funds to private nonprofit organizations to assist them in providing transportation services for elderly and handicapped individuals where existing transportation is unavailable, insufficient, or inappropriate. Program funds may be used to purchase vehicles, wheelchair lifts and related support equipment.

Private nonprofit organizations who receive Section 16 (b) (2) grant funds may lease equipment to private for-profit providers to operate services. However, nonprofit organizations may not lease equipment purchased with grant funds to public bodies.

"Meals on Wheels" service may be provided using Section 16 (b) (2) vehicles on an incidental basis only. Vehicles purchased with program funds may be used in coordinated transportation systems servicing a variety of human service agency clientele, provided that transportation for elderly or handicapped individuals described in the grant application is ensured.

PROGRAM ELIGIBILITY:

Private nonprofit organizations providing services to elderly and disabled individuals are eligible to apply for Section 16 (b) (2) grant funds.

FUNDING FLOW:

Section 16 (b) (2) Capital Assistance Program funds flow from the U.S. Department of Transportation to the State agency. The State agency administers the program in the State.

APPROPRIATED FUNDING:

Program funds are allocated among the States by an administrative formula which is based on the population of elderly and handicapped persons in each State, according to the most recent U. S. Census. In recent years, the program funding level has been approximately \$35 million per year. This funding level has allowed approximately 1,000 private nonprofit organizations to receive a total of 1,500 vehicles. Allocations to the States are published in the Federal Register annually.

APPLICATION PROCESS AND MATCHING FUNDS:**Application Process**

Private nonprofit organizations interested in applying for funds should contact the Section 16 (b) (2) coordinator in their State transportation agency.

Matching Funds:

Funding is provided to States on an 80 percent Federal, 20 percent local matching basis.

SECTION 8 PLANNING AND TECHNICAL STUDIES PROGRAM

AUTHORIZING LEGISLATION:

Law: Urban Mass Transportation Act of 1964, as amended

Section: 8

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Transportation (DOT)

Operating Division: Urban Mass Transportation Administration (UMTA)

Administering Office/ Center/ Institute: UMTA Regional Offices

STATE ADMINISTERING AGENCY/GRANTEES:

State Departments of Transportation and metropolitan planning organizations (MPO's) for urbanized areas.

PROGRAM DESCRIPTION:

The Section 8 Planning and Technical Studies Program provides financial assistance to State and local governments to conduct planning activities for the development and operation of mass transportation services, facilities, and equipment. The program is expected to support the basic transportation planning process underway in urbanized areas, including capital planning, financial planning, and operations-related planning essential to the provision of transit services.

Section 8 funds support planning and cost-effective Transportation Improvement Programs (TIPS), which establish the framework for the use of Federal capital assistance resources. The plans and programs reflect a variety of State and local objectives as well as the Administration's national priorities.

Updating and planning transportation services for elderly and handicapped persons has been a Section 8 national priority in recent years, particularly for those funds allocated to States. State recipients are encouraged to develop a State Coordination Plan for rural and specialized transportation which coordinates UMTA assistance provided under the Section 18 Program of Transit Assistance for Nonurbanized Areas and the Section 16 (b) (2) Capital Assistance Program with other Federal programs, especially those administered by the United States Department of Health and Human Services. The State Coordination Plan should include a mechanism for ensuring coordination at the State level and promoting coordination of transportation service delivery at the local level.

PROGRAM ELIGIBILITY:

The metropolitan planning organization is normally the Section 8 grantee for an urbanized area. Approximately ten percent of the Section 8 funds is distributed to State departments of transportation.

FUNDING FLOW:

Section 8 program funds flow from the DOT to the State departments of transportation and the MPO's.

APPROPRIATED FUNDING:

In recent years, the annual appropriations have been approximately \$45 million. Although Section 8 is a discretionary program, the bulk of the Section 8 funds are distributed to States and each of the 374 urbanized areas using a population-weighted allocation formula.

APPLICATION PROCESS AND MATCHING FUNDS:**Application Process**

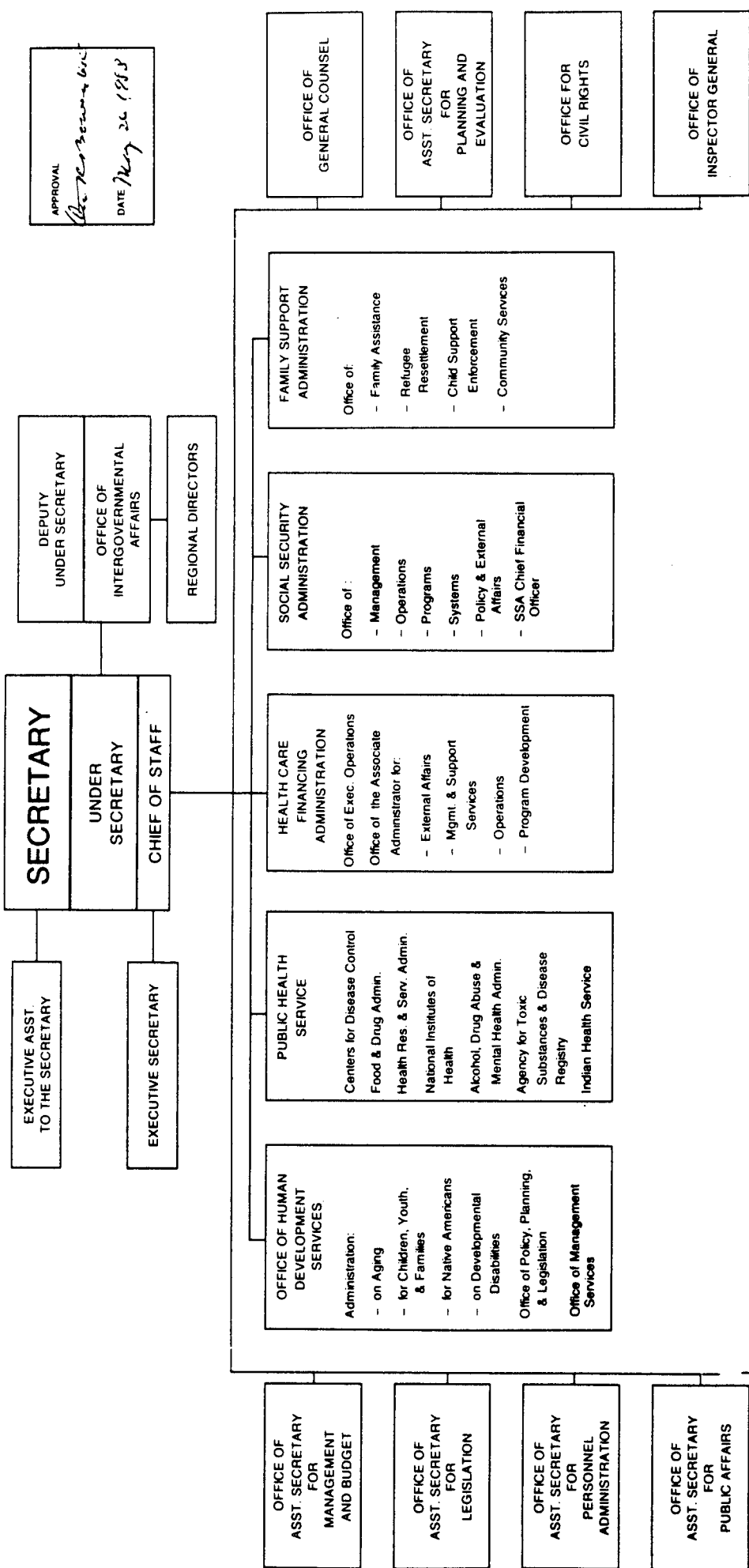
States and MPO's apply to the Regional Offices of UMTA.

Matching Funds

A 20 percent local match is required.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

DEPARTMENT OF HEALTH AND HUMAN SERVICES



APPROVAL
[Signature]
DATE May 26, 1988

* Located administratively in HHS, but reports to the President

ADMINISTRATION ON AGING

TITLE III – GRANTS FOR STATE AND COMMUNITY PROGRAMS ON AGING

AUTHORIZING LEGISLATION:

Law: Title III of the Older Americans Act

Sections: 301-371

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services

Operating Division: Office of Human Development Services

Administering Office/Center/Institute: Administration on Aging (AoA)

STATE ADMINISTERING AGENCIES/GRANTEES:

Title III is a State-administered program. AoA awards grants to State and Territorial Units on Aging which in turn, award grants to Area Agencies on Aging. Area Agencies on Aging award grants or contracts to service providers.

PROGRAM DESCRIPTION:

General

AoA is the only Federal agency devoted exclusively to the concerns and potential of this country's older population. AoA advises on the characteristics, circumstances and needs of older people, and develops policies, plans and programs designed to promote their welfare.

AoA allocates funds appropriated under Title III of the Older Americans Act among the State and Territorial Units on Aging based on the size of the 60 plus population in each State. Each State then awards grants to Area Agencies on Aging to support the development of responsive systems of services and opportunities for older people in each community. Older Americans Act funds can be used to support a wide range of community-based supportive and nutrition services, including services in the home, services and opportunities in the community, access services, and services to individuals in long-term care facilities.

The State Agency on Aging is designated by the Governor to serve as the leader for all matters of concern to the older population and to develop comprehensive systems for older persons in communities throughout the State. The State Agency on Aging designates an Area Agency on Aging for each planning and service area within the State to be concerned with all matters that relate to the needs of the elderly in the area, and to develop

comprehensive systems for older persons in each community in their jurisdiction.

The State Agency on Aging, after consultation with all Area Agencies on Aging in the State, develops and uses an intrastate funding formula for the allocation of funds to Area Agencies on Aging. The formula is based on the proportion among the planning and service areas of persons age 60 and over in greatest economic or social need, with particular attention to low-income minority individuals.

While contributions are encouraged, there is no fee for services provided under the Older Americans Act.

Transportation Services

Section 306(a)(2)(A) of the Older Americans Act requires the Area Agency on Aging to ensure that an adequate proportion of the amount allocated under the Act for supportive services in the planning and service area will be used for the delivery of access services, including transportation services. Area Agencies on Aging award grants or contracts to service providers for transportation and other services.

PROGRAM ELIGIBILITY:

Public and private agencies or organizations may receive grants or contracts for the provision of Title III nutrition and supportive services. Interested service providers must meet the requirements contained in the grant or contract solicitation prepared by the State or Area Agency on Aging.

FUNDING FLOW:

Under Title III, AoA grant funds flow directly to the State Agency on Aging in keeping with a formula prescribed in the Act. State Agencies on Aging award grants to the Area Agencies on Aging by formula. Area Agencies on Aging award grants or contracts to service providers.

APPROPRIATED FUNDING:

FY 1988: \$694,115,000

FY 1989: \$716,688,000

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process

Interested transportation service providers should contact their State or Area Agency on Aging to obtain information about grant or contract opportunities.

Matching Funds

Match Requirement

The non-Federal share for State or Area Plan Administration is 25%. The non-Federal share shall be in cash or in kind.

The non-Federal share for Title III nutrition and supportive services is 15%.
The non-Federal share shall be in cash or in kind.

TITLE IV – TRAINING, RESEARCH, AND DISCRETIONARY PROJECTS AND PROGRAMS

AUTHORIZING LEGISLATION:

Law: Title IV of the Older Americans Act

Sections: 401-433

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services

Operating Division: Office of Human Development Services

Administering Office/Center/Institute: Administration on Aging (AoA)

STATE ADMINISTERING AGENCIES/GRANTEES:

Title IV is administered by AoA. Title IV grantees include organizations such as State Agencies on Aging, Area Agencies on Aging, public and private nonprofit organizations and institutions of higher education. Title IV grants are not awarded to private individuals.

PROGRAM DESCRIPTION:

General

AoA provides funds to support training, research, and discretionary project programs under Title IV of the Older Americans Act to achieve the following objectives:

- o Expand the Nation's knowledge and understanding of aging and the aging process;
- o To design and test innovative ideas, programs and services for older individuals, including specialized transportation services; and
- o To help meet the need for trained personnel in the field of aging.

Title IV grants and contracts are not awarded for the provision of nutrition and supportive services.

PROGRAM ELIGIBILITY:

In order to receive a grant under Title IV, applicants must meet the eligibility requirements contained in the annual AoA Discretionary Grants Program Announcement. Each priority area in the announcement has specific eligibility requirements.

FUNDING FLOW:

· AoA awards Title IV grant funds directly to successful applicants.

APPROPRIATED FUNDING:

FY 1988: \$23,935,000

FY 1989: \$24,173,000

APPLICATION PROCESS AND MATCHING FUNDS:**Application Process**

Interested Title IV applicants should review the appropriate GPO Federal Register containing the AoA Discretionary Grant Program Announcement to obtain information about grant opportunities. AoA Program Announcements are published annually.

Matching Funds

- Under authority provided by the Older Americans Act, AoA Program Announcements generally require a 25% non-Federal match. There are several exceptions to the match requirements that are specified in the AoA Program Announcement.

TITLE VI – GRANTS FOR NATIVE AMERICANS

AUTHORIZING LEGISLATION:

Law: Title VI of the Older Americans Act

Sections: 601-633

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services

Operating Division: Office of Human Development Services

Administering Office /Center/Institute: Administration on Aging (AoA)

STATE ADMINISTERING AGENCY/GRANTEES:

Title VI is administered by the Administration on Aging. Grant funds are provided to Federally-recognized Indian tribes which represent at least 50 Indians 60 years of age or older.

PROGRAM DESCRIPTION:

General

Under Title VI of the Older Americans Act, AoA administers a program designed specifically to meet the special needs of, and provide opportunities for, this Nation's Native American elders. The Title VI program promotes the delivery of supportive services and nutrition services to American Indians and Alaska Natives that are comparable to services provided under Title III of the Act. Supportive services include information and referral, transportation, and any other supportive services that tribes determine to be appropriate. Nutrition services include congregate and home-delivered meals.

Transportation Services

Under 45 CFR 1326(a), Title VI grantees are required to provide nutrition and information and referral services. Transportation services are not specifically mandated under Title VI. The provision of transportation services is based on a tribal needs assessment conducted by the Title VI grantee. There is no specific set aside for transportation services. Federally-recognized tribes desiring to provide transportation services directly may apply to the State Department of Transportation for funds under Section 16(b)(2) of the Urban Mass Transportation Act for the purchase of vehicles and use Title VI funds to match 16(b)(2). Federally-recognized tribes may also enter into contracts with service providers for transportation services.

PROGRAM ELIGIBILITY:

Federally-recognized Indian tribal Organizations must represent at least 50 Indians 60 years of age or older in order to be eligible for Title VI grant funds. Federally-recognized Indian tribes also have the authority to define "older Indian" as any age below 60 years for service purposes, once the minimum criteria of "50 Indians 60 years of age or older" has been met.

FUNDING FLOW:

Under Title VI, AoA grant funds flow directly to the Federally-recognized Indian tribes.

APPROPRIATED FUNDING:

FY 1988: \$7,181,000

FY 1989: \$7,410,000

APPLICATION PROCESS AND MATCHING FUNDS:**Application Process**

In order to receive a grant under Title VI, the eligible tribal organization must submit an application in accordance with regulations and instructions published by AoA.

Interested transportation services providers should contact the Title VI grantee in order to obtain information about contract opportunities.

Matching Funds

None

ADMINISTRATION FOR CHILDREN, YOUTH, AND FAMILIES

HEAD START

AUTHORIZING LEGISLATION:

Law: The Head Start Act: 42 USC 9831 et. reg

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services (DHHS)

Operating Division: Office of Human Development Services (OHDS)

Administering Office/Center/Institute: Head Start Bureau, Administration for Children, Youth, and Families

STATE ADMINISTERING AGENCY/GRANTEES:

Head Start is a Federally-administered discretionary grant program. The management of these grants is through the 10 DHHS Regional Offices and there is no State administering agency. The central Head Start office administers programs for American Indians and migrant farm workers.

Grantees include approximately 1,290 public and private, non-profit organizations in local communities.

PROGRAM DESCRIPTION:

General

Head Start provides comprehensive child development for approximately 450,000 children and their families. The program is intended to serve preschoolers from low-income families and seeks to foster the development of children and enable them to deal more effectively with both their present environments and later responsibilities in school and community life. Head Start programs emphasize cognitive and language development, socioeconomic development, physical and mental health, and parent involvement to enable each child to develop and function at the child's highest potential.

Transportation Services

Although it is optional, many Head Start programs, which operate center-based programs where children travel to centers instead of receiving program services in their own homes, generally provide transportation to and from the center. However, some programs do not make transportation to and from the centers available, and thus require parents to transport their children to and from the centers. Transportation may also be provided for a variety of activities, ranging from class field trips to taking children to medical service providers. Virtually all programs use transportation services in connection with program activities.

Authority to provide transportation services results from an administrative decision by DHHS. There is no specific statutory or regulatory requirement for Head Start programs' approved grant budgets to identify the transportation costs of each program. There is no minimum percentage which must be spent on transportation.

All Federal Head Start funds that support transportation are provided to Head Start programs as part of their basic operating grants. No Head Start funds are available to be provided directly by the Federal Government to third-party transportation providers. The Head Start Bureau lists the transportation of participating children as the second-highest cost item in the program, after personnel. In 1984, it cost approximately \$255 per child for transportation to and from the program and various medical and miscellaneous activities.

PROGRAM ELIGIBILITY:

Head Start is a discretionary grant program which is available to public and private, non-profit organizations in local communities. Head Start's eligible population is pre-school children from families whose incomes are below the poverty line.

FUNDING FLOW:

Funds go directly from the Federal Government to the grantee. In some instances, grantees enter into sub-grant arrangements with other local public or private, non-profit organizations to deliver Head Start services.

APPROPRIATED FUNDING:

FY 1988: \$1,206,324,000

FY 1989: \$1,235,000,000

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process

Interested public and private, nonprofit organizations should contact the appropriate OHDS regional office to obtain application information. Interested transportation providers should contact the Head Start programs within their communities.

Matching Funds

Head Start grantees must obtain at least 20 percent of total program costs from non-Federal sources.

ADMINISTRATION ON DEVELOPMENTAL DISABILITIES

ADMINISTRATION ON DEVELOPMENTAL DISABILITIES

AUTHORIZING LEGISLATION:

Law: Developmental Disabilities Assistance and Bill of Rights Act of 1987, Public Law 100-146

Section: Title I Program for Persons with Developmental Disabilities; Parts A-E, inclusive

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services (DHHS)

Operating Division: Office of Human Development Services (HDS)

Administering Office/Center/Institute: Administration on Developmental Disabilities, and Human Developmental Services Regional Offices

STATE ADMINISTERING AGENCY/GRANTEES:

The Administration on Developmental Disabilities (ADD) supports and works through a network of State Planning Councils which are appointed by State Governors, and whose membership includes representatives of the principal State agencies that administer funds under education, aging, rehabilitation, and health-related Federal programs, and non-governmental consumer representatives.

PROGRAM DESCRIPTION:

Developmental disabilities are defined as severe, chronic disabilities manifested before age 22, which cause substantial limitations in at least three areas of major life activity, and result in the need for services over an extended period of time. Limitations can be in the areas of self-care, language, learning, mobility, self-direction, capacity for independent living, and economic self-sufficiency.

The purpose of the Development Disabilities Assistance and Bill of Rights Act and the corresponding mission of the Administration on Developmental Disability are:

1. To assist States to assure that persons with developmental disabilities receive the services and other assistance and opportunities to achieve their maximum potential; and
2. To enhance the role of the family in assisting persons with developmental disabilities.

FUNDING FLOW:

Formula: Basic State Grants for Developmental Disability Councils are awarded to "designated State Agencies" selected by

Governors to receive and disburse ADD funds.

Protection and Advocacy (P&A) agencies receive direct Federal funding from ADD.

For further information contact:

Program Operating Division
Administration on Developmental Disabilities
Cohen Federal Building
Washington, D.C. 20201

Discretionary: University affiliated programs receive direct Federal funding from ADD to support research and demonstration activities.

Grants for projects of national significance are announced annually in the Federal Register.

For further information contact:

Program Operating Division
Administration on Developmental Disabilities
Cohen Federal Building
Washington, D.C. 20201

APPROPRIATED FUNDING:

Formula:	Basic State DD Grants (BSG)	\$59.774 million
	Protection Advocacy Grants (P&A)	\$19.760 million
Discretionary:	University Affiliated Programs (UAP)	\$12.570 million
	Projects of National Significance (PNS)	<u>\$ 2.901 million</u>
	Total DD	\$95.005 million

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process

Not indicated

Matching Funds

Formula Funds:	<ul style="list-style-type: none">- Basic State Grants: Matching requirement for administration of State plan is 50% / 50%.- Matching requirement for projects operating in non-poverty areas is 75% local / 25% Federal.- Matching requirement for projects operating in poverty areas is 90% Federal / 10% local.- Protection and Advocacy Grants require no match.
Discretionary Funds:	<ul style="list-style-type: none">- University Affiliated Grants have a match requirement of 75% / 25%.- Projects of National Significance have a match requirement of 75% / 25%.

ADMINISTRATION FOR NATIVE AMERICANS

SOCIAL AND ECONOMIC DEVELOPMENT STRATEGIES PROGRAM

AUTHORIZING LEGISLATION:

Law: The Native American Programs Act of 1974 as amended by Public Law 100-175

Section: Not applicable

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services

Operating Division: Office of Human Development Services

Administering Office/Center/Institute: Administration for Native Americans

STATE ADMINISTERING AGENCY/GRANTEES:

The Social and Economic Development Strategies (SEDS) Program is a grant program which is centrally administrated by the Administration of Native Americans. The Administration works directly with grantees.

PROGRAM DESCRIPTION:

General

The SEDS Program promotes social and economic self-sufficiency for American Indians, Alaska Natives, Native Hawaiians, and Native American Pacific Islanders. The program goals are to further governance, economic development and social development to achieve greater self-sufficiency of the tribe or organization.

Transportation Services

Transportation can be considered for funding if it is a viable component of the proposed project and it is not of an on-going effort and would foster greater self-sufficiency. Funding for transportation may not duplicate the Bureau of Indian Affairs in their efforts and responsibility for transportation.

PROGRAM ELIGIBILITY

Eligible entities include:

- o Federally recognized Indian tribes
- o Consortia of Indian tribes
- o Incorporated non-Federally recognized tribes

- o Incorporated non-profit multi-purpose community based Indian organizations
- o Urban Indian centers
- o Incorporated nonprofit Native Hawaiian organizations
- o National or regional incorporated non-profit Native America organizations with Native American community-specific objectives
- o Non-profit incorporated Native American Pacific Islander organizations whose primary purpose is serving the indigenous people of Guam, American Samoa, or the Commonwealth of the Northern Mariana Islands.

Applications for funding by the Administration for Native Americans are judged on an individual basis with the criteria being that projects must further one or more of the three program goals, governance, economic development and social development, and lead ultimately to greater self-sufficiency of the tribe or organization.

FUNDING FLOW:

Program funding is provided on a direct basis from the Administration for Native Americans to the grantee.

APPROPRIATED FUNDING:

FY 1988: \$29,679,000

FY 1989: \$29,975,000

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process

Eligible entities should contact the Administration for Native Americans central office to obtain information about applications.

Matching Funds

Under this program, there is a 20 percent matching requirement for awarded recipients.

**ALCOHOL, DRUG ABUSE, AND
MENTAL HEALTH ADMINISTRATION**

ALCOHOL AND DRUG ABUSE DEMONSTRATION GRANTS FOR HIGH RISK YOUTH

AUTHORIZING LEGISLATION:

Law: Public Law 99-570

Section: 509 A

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services (DHHS)

Operating Division: Public Health Service

Administering Office/Center/Institute: Office for Substance Abuse and Prevention (OSAP), Division of Demonstrations and Evaluations, Alcohol, Drug Abuse, and Mental Health Administration

STATE ADMINISTERING AGENCY/GRANTEES:

This is a discretionary grant program that works directly with community based demonstration projects.

PROGRAM DESCRIPTION:

General

The Alcohol and Drug Abuse Demonstration Grants for High Risk Youth Program is a discretionary grant program designed to support community based projects that demonstrate effective models for the prevention, treatment and rehabilitation of alcohol and other drug abuse among high risk youth. The program has funded the following three different types of demonstration projects:

- o Comprehensive prevention, or prevention, treatment and rehabilitation projects for high risk youth;
- o Targeted primary prevention demonstration projects for high risk youth;
- o Early intervention projects for youth who are using what have been identified as "gateway" drugs which include tobacco, alcohol and marijuana alone or in conjunction with the use of any other illicit substance or abuse of illicit substances such as inhalants, prescribed medications and the like.

Transportation Services

Grantees may use demonstration funds to provide transportation for some clients to services.

PROGRAM ELIGIBILITY:

Public and private nonprofit organizations are eligible.

FUNDING FLOW: Funds flow from the DHHS to individual grantees.

APPROPRIATED FUNDING:

FY 1988: 23.0 million for 115 grants

FY 1989: \$17.5 million for 83 grants

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process

Public and private nonprofit organizations interested in applying for demonstration grant funds should contact:

Mr. Bernard McColgan
Director
Demonstration & Evaluation
OSAP
5600 Fishers Lane Rm. 13A-53
Rockville, Maryland 20857
(301) 443-4564

Matching Funds

None

ALCOHOL AND DRUG ABUSE TREATMENT REHABILITATION BLOCK GRANT

AUTHORIZING LEGISLATION:

Law: Public Law 99-570; Anti-Drug Abuse Act of 1986; adds Part C to the Public Health Service Act (Title XIX).

Section: 1921

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services (DHHS)

Operating Division: Public Health Service

Administering Office/Center/Institute: Alcohol, Drug Abuse and Mental Health Administration

STATE ADMINISTERING AGENCY/ GRANTEES:

State alcohol and drug abuse authorities, as designated by the Governor of each State.

PROGRAM DESCRIPTION:

General

The Alcohol and Drug Abuse Treatment Rehabilitation (ADTR) Block Grant was created by the Anti-Drug Abuse Act of 1986 as a part of a federal initiative to attack alcohol and drug abuse. The Act provides funding for States to provide alcohol and drug abuse treatment and rehabilitation service and outreach activities.

Transportation Services

All States and subrecipients have the option to use ADTR block grant funds to provide transportation for clients and other beneficiaries of services funded by the grant, but no monies are required to be set aside for transportation purposes.

PROGRAM ELIGIBILITY:

The ADTR block grant is a formula grant program available to the States, the District of Columbia, Puerto Rico, the Virgin Islands, and selected U.S. Territories.

FUNDING FLOW:

ADTR block grant funds flow from the DHHS to State alcohol and drug abuse agencies, which contract with approved providers for the direct provision of services.

APPROPRIATED FUNDING:

FY 1988: \$155,917,000

FY 1989: This block grant was consolidated with the Alcohol Drug Abuse and Mental Health Services (ADMS) Block Grant for FY 1989. No new funding was appropriated for block grants after FY 1988.

APPLICATION PROCESS AND MATCHING FUNDS:**Application Process**

Each State submitted an annual application requesting those block grant monies for FY 1987 and 1988.

Matching Funds

Not Applicable

ALCOHOL, DRUG ABUSE AND MENTAL HEALTH SERVICES BLOCK GRANT

AUTHORIZING LEGISLATION:

Law: Public Law 100-600; The Anti-Drug Abuse Act of 1988 amends the Public Health Service Act (Title XIX, partB)

Section: 1915

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services (DHHS)

Operating Division: Public Health Service

Administering Office/Center/Institute: Alcohol, Drug Abuse and Mental Health Administration (ADAMHA)

STATE ADMINISTERING AGENCY/GRANTEES:

State alcohol, drug abuse and mental health authorities, as designated by Governor of each State.

PROGRAM DESCRIPTION:

General

The Alcohol, Drug Abuse and Mental Health Services (ADMS) Block Grant provides funds to States for the development of more effective prevention, treatment, and rehabilitation programs for alcohol and drug abuse, and to support community mental health centers (CMHC's) in providing services for mentally ill individuals and other populations which are currently unserved or underserved, e.g., children, the elderly, homeless.

Transportation Services

All States and subrecipients have the option to use ADMS block grant funds to provide transportation for clients and other beneficiaries of the services funded by the grant, however, no monies are required to be spent or set aside for transportation purposes.

PROGRAM ELIGIBILITY:

The ADMS block grant is a formula grant program which is available to all States, the District of Columbia, Puerto Rico, Virgin Islands, and selected U.S. territories. Grants are administered by the State agency designated by the State's Governor.

FUNDING FLOW:

ADMS block grant funds flow from the DHHS to State agency authorities who contract with approved providers for the direct provision of services.

APPROPRIATED FUNDING:

FY 1988: \$487,317,000 available for allotment to the States, Territories and two Indian tribes.

FY 1989: \$805.5 million available To the States, Territories and two Indian tribes.

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process: Each State submits an annual application to ADAMHA requesting these block grant monies.

Matching funds

Not Applicable

COMMUNITY DEMONSTRATION GRANT PROJECTS FOR ALCOHOL AND DRUG ABUSE TREATMENT OF HOMELESS INDIVIDUALS

AUTHORIZING LEGISLATION:

Law: Public Law 100-77, the Stewart B. McKinney Homeless Assistance Act

Section: 613

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services (DHHS)

Operating Division: Public Health Service

Administering Office/Center/Institute: National Institute on Alcohol Abuse and Alcoholism, Alcohol, Drug Abuse, and Mental Health Administration

STATE ADMINISTERING AGENCY/GRANTEES:

This is a demonstration grant program that works directly with community based demonstration projects.

PROGRAM DESCRIPTION:

General

The Community Demonstration Grant Projects for Alcohol and Drug Abuse Treatment of Homeless Individuals is a demonstration program for homeless persons with alcohol and/or drug related problems. The grants are intended to provide, document and evaluate successful and replicable approaches to community based treatment. Program components stress innovative attempts to reach and work with the target population, including intensive case management, street and shelter outreach, and supportive housing arrangements.

Two of the nine existing projects serve the dually diagnosed population (alcohol and drug dependent individuals who are mentally ill), and two projects focus on alcoholic women and their children.

Twenty-five percent of each grant budget is used for project evaluation.

Transportation Services

Grantees may use demonstration funds to provide transportation to clients. Transportation generally involves driving clients to various social service agencies in the community, or to the specific shelter or residential facility. Five grantees use approximately \$30,000 for transportation services.

PROGRAM ELIGIBILITY:

Public and private nonprofit organizations are eligible to apply for demonstration grants.

FUNDING FLOW

Grant funds flow from the DHHS directly to the demonstration projects.

APPROPRIATED FUNDING:

Congress appropriated \$9.2 million to support nine community-based public and private nonprofit entities for a two year period.

APPLICATION PROCESS AND MATCHING FUNDS:**Application Process**

Public and private nonprofit organizations interested in applying for demonstration grants should contact the National Institute on Alcohol Abuse and Alcoholism.

Matching Funds

Matching funds not required.

COMMUNITY SUPPORT PROGRAM

AUTHORIZING LEGISLATION:

Law: Public Health Service Act

Sections: 301 and 520 A

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services

Operating Division: Public Health Service

Administering/Office/Center/Institute: National Institute of Mental Health (NIMH), Alcohol, Drug Abuse, and Mental Health Administration (ADAMHA)

STATE ADMINISTERING AGENCY/GRANTEES:

The Community Support Program (CSP) is a discretionary grant program which works directly with State mental health agencies. CSP also has some contracts and collaborates with the National Institute on Disability and Rehabilitation Research in the United States Department of Education to co-fund two rehabilitation research and training centers related to the mentally ill.

PROGRAM DESCRIPTION:

General

CSP works with States and localities to improve opportunities and services for adults with long-term, disabling mental illness. The program awards grants to States for:

- o Strategy development and implementation,
- o Local demonstration projects focused on special populations, such as:
 - the homeless mentally ill
 - young adults with mental illness and substance abuse problems
 - the elderly mentally ill
- o demonstration projects focused on consumer self-help; and
- o supported housing approaches,

Transportation Services

CSP program funds are not specifically identified for transportation and there is no requirement that a specific percentage of project funds be set aside for transportation costs. The provision of transportation in CSP programs is optional and is based on the specific nature of the intervention. Local project directors make determinations about the appropriate use of transportation options. In some instances, the Government Project Officer (GPO) approves spending requests for the purchase or lease of vehicles such as vans.

Several of the demonstration programs provide transportation for individuals to treatment or rehabilitation sites. Some programs are involved in mobile outreach to mentally ill clients.

PROGRAM ELIGIBILITY:

Grants are made to the States for activities at the local level.

FUNDING FLOW:

Nearly all of CSP grant funds flow directly to State agencies. In turn, most of the funds are subcontracted to community agencies and service providers.

APPROPRIATED FUNDING:

FY 1988: \$12 million

FY 1989: \$16 million

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process

Community agencies and service providers interested in obtaining CSP funding should contact the State mental health agency.

Matching Funds

Not required

THE PROGRAM FOR THE HOMELESS MENTALLY ILL

AUTHORIZING LEGISLATION:

Law: Public Law 100-77, the Stewart S. McKinney Homeless Assistance Act

Sections: Section 611: Block Grant Program for Services to Homeless Individuals Who Are Chronically Mentally Ill; Section 612: Community Mental Health Services Demonstration Projects for Homeless Individuals Who Are Chronically Mentally Ill

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services (DHHS)

Operating Division: Public Health Service

Administering Office/Center/Institute: National Institute of Mental Health
Division of Education and Service Systems Liaison, Alcohol, Drug Abuse
and Mental Health Administration

STATE ADMINISTERING AGENCY/GRANTEES:

State mental health authorities administer the Homeless Mentally Ill program funds.

PROGRAM DESCRIPTION:

General

The Program for the Homeless Mentally Ill provides national leadership in the identification of the mental health problems of homeless persons and assists States and localities in meeting the mental health needs of homeless persons through the development and dissemination of knowledge about the needs of this special population. The Program's historical focus on the development and dissemination of knowledge about the needs of the homeless mentally ill recently has been expanded to include funding for a broad range of direct and supportive services as a result of the implementation of the following two new mental health programs for the homeless population authorized by Public Law 100-77, the Stewart B. McKinney Homeless Assistance Act:

Block Grant Program for services to Homeless Individuals Who Are Chronically Mentally Ill

The Block Grant Program provides funds for the following mental health services for the homeless population:

- o Community mental health services
- o Outreach

- o Staff training
- o Case management
- o Residential and supervisory services

Community Mental Health Services Demonstration Projects for Homeless Individuals Who Are Chronically Mentally Ill

The Demonstration Projects program provides demonstration grants for comprehensive services for homeless adults with serious mental illnesses, and demonstration grants for services that target homeless children who are seriously emotionally disturbed.

Transportation Services

Although the program neither specifically identifies funds for transportation nor requires a certain percentage of project funds to be set aside for transportation costs, recipients of grants may use funds to provide transportation for clients to services. Many Block Grant and Demonstration Grant recipients provide transportation for their clients. Numerous programs are also providing mobile outreach to homeless mentally ill clients.

PROGRAM ELIGIBILITY:

Block Grant Program

The Block Grant program is a formula grant which is available to all States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa and the Northern Mariana Islands. Grants are administered by the state agency designated by the State's governor to administer the grant.

Demonstration Projects

The Demonstration Projects are discretionary grants for which State mental health authorities may submit one application for a local geographic area.

FUNDING FLOW:

Grant funds for the block grant and demonstration projects programs flow from the United States Department of Health and Human Services directly to states. States disperse funds to community agencies and service providers.

APPROPRIATED FUNDING:

<u>Program</u>	<u>1987-88</u>	<u>1989</u>
Block grant	\$43,695,000	\$14,128,000
Demonstration Projects	\$9,100,000	\$4,594,000

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process

Community agencies and service providers must obtain and submit applications to the designated State mental health authority to be considered for funding.

THE REFUGEE MENTAL HEALTH PROGRAM

AUTHORIZING LEGISLATION:

Law: Title V, Public Law 96-422 Refugee Education Assistance Act of 1980

Section: 501 (c)

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services (DHHS)

Operating Division: Public Health Service

Administering Office/Center/Institute: National Institute of Mental Health (NIMH), Alcohol, Drug abuse and Mental Health Administration ,

STATE ADMINISTERING AGENCY/GRANTEES:

The Refugee Mental Health Program (RMHP) is a centrally administered program. Grantees include nonprofit and for-profit mental health organizations under cooperative agreements with NIMH.

PROGRAM DESCRIPTION:

General

The RMHP provides mental health services to Cuban entrants through cooperative agreements with non-profit and for-profit organizations. The program provides funding for total treatment and support services to mentally ill and/or developmentally disabled Cuban entrants who are in custody in residential community based settings. The RMHP also administers a contract to a private organization to provide in-patient services on the grounds of St. Elizabeth's Hospital (Washington, D.C.).

Transportation Services

Transportation is an allowable outpatient project cost for the following activities and services:

- o To provide travel for staff to interview clients in prisons or other Federal facilities;
- o To transport clients to the projects or back to in-patient services; and
- o To pay for local client and staff travel.

Transportation funds are line items in the cooperative agreement budgets. Projects estimate their transportation needs and include those costs in their budget projections each year.

PROGRAM ELIGIBILITY:

Nonprofit and for-profit organizations providing mental health services to Cuban entrants may apply for program funds.

FUNDING FLOW:

RMHP funds flow from the DHHS to community based projects.

APPROPRIATED FUNDING:

FY 1988: \$5.9 million

FY 1989: \$5.0 million

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process

Nonprofit and for-profit organizations interested in applying for RMHP program funds should contact:

Thomas H. Bornemann, Ed.D
Director
Refugee Mental Health Program
Parklawn Building, Room 18-49
5600 Fishers Lane
Rockville, Maryland 20857
Telephone: (301) 443-2130

Matching Funds

Not Applicable

CENTERS FOR DISEASE CONTROL

CHILDHOOD IMMUNIZATION GRANTS

AUTHORIZING LEGISLATION:

Law: Public Health Service Act

Section: 317(k) (42 USC 247b)

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services (DHHS)

Operating Division: Public Health Service

Administering Office/Center/Institute: Center for Prevention Services,
Centers for Disease Control

STATE ADMINISTERING AGENCY/GRANTEES:

State departments of health administer Childhood Immunization Grants at the State level.

PROGRAM DESCRIPTION:

General

The Childhood Immunization Program assists States and communities in establishing and maintaining immunization programs for the control of vaccine-preventable diseases of childhood. These diseases include:

- o Measles;
- o Hemophilus influenza type b;
- o Rubella;
- o Poliomyelitis;
- o Diphtheria;
- o Pertussis;
- o Tetanus; and
- o Mumps.

Transportation Services

Transportation is an allowable service. However, if transportation is needed, it is generally provided through the local health department or other community resource. Funds for transportation costs have not been requested by any of the current grantees.

PROGRAM ELIGIBILITY:

Official public health agencies of State, local, and territorial governments are eligible.

FUNDING FLOW:

Funds flow from the Centers for Disease Control (CDC) directly to State and territorial departments. In addition, funds flow directly from CDC to vaccine manufacturers who provide vaccines to States.

APPROPRIATED FUNDING:

FY 1988: \$86.2 million

FY 1989: \$126.8 million

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process:

Application for grants must be made on standard application forms obtained from the appropriate DHHS regional office. Assistance in developing the application is also available from the regional office.

Matching Funds:

Not required

PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT

AUTHORIZING LEGISLATION:

Law: Public Health Service Act

Section: 1091 (42 USC 300 w)

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services

Operating Division: Public Health Service

Administering Office/Center/Institute: Center for Chronic Disease Prevention and Health Promotion, Centers for Disease Control

STATE ADMINISTERING AGENCY/GRANTEES:

State departments of health administer Preventive Health and Health Services block grant funds at the State level.

PROGRAM DESCRIPTION:

General

The Preventive Health and Health Services block grant provides formula grants to supplement State resources for comprehensive health services, including:

- o Rodent control;
- o Community and school-based water fluoridation programs;
- o Hypertension programs;
- o Health education risk-reduction efforts and programs to deter smoking and the use of alcoholic beverages among children and adolescents;
- o Home health services;
- o Emergency medical services;

- o Services to rape victims and for rape prevention;
- o Uterine and breast cancer screening programs; and
- o Comprehensive public health services.

Transportation Services

Transportation is an allowable service in accordance with Federal and State regulations.

PROGRAM ELIGIBILITY:

State and territorial health departments are eligible. States individually determine eligibility requirements for local health departments.

FUNDING FLOW:

Funds flow directly to State and territorial health departments.

APPROPRIATED FUNDING:

FY 1988: \$85.2 million

FY 1989: \$84.3 million

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process

State and territorial health departments should contact the Procurement and Grants Office, Centers for Disease Control, 1600 Clifton Road, N.E., Atlanta, GA 30333. States individually determine the application process for local health departments.

Matching Funds

Not required

TUBERCULOSIS CONTROL PROGRAM

AUTHORIZING LEGISLATION:

Law: Public Health Service Act

Section: 317(k) 42 USC 247b)

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services

Operating Division: Public Health Service

Administering Office/Center/Institute: Center for Prevention Services,
Centers for Disease Control

STATE ADMINISTERING AGENCY/GRANTEES:

State departments of health administer Preventive Health and Health Services block grant funds at the State level.

PROGRAM DESCRIPTION:

General

The Tuberculosis Control Program provides funds through cooperative agreements which are used primarily to hire outreach workers who provide directly observed therapy to patients who would otherwise not complete their treatment and become non-infectious.

Transportation Services

Transportation is an allowable service, however less than four percent of the program budget is used to pay the transportation expenses of outreach workers delivering medications, and direct patient transportation to clinic sites is rarely paid for through Tuberculosis Control Program funds.

PROGRAM ELIGIBILITY:

State and city health departments are eligible to apply for tuberculosis cooperative agreements under Section 317 of the Public Health Service Act.

FUNDING FLOW:

Funds flow from the Centers for Disease Control to State, territorial and large city health departments.

APPROPRIATED FUNDING:

FY 1988: \$6.7 million

FY 1989: \$6.6 million

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process

State and city health departments should apply for cooperative agreement funds per instructions published in the Federal Register.

Matching Funds

Not required

HEALTH CARE FINANCING ADMINISTRATION

**TITLE XVIII - HEALTH INSURANCE FOR
THE AGED AND DISABLED
(MEDICARE)**

AUTHORIZING LEGISLATION:

Law: Title 18 of the Social Security Act

Sections: Part A and Part B

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services

Operating Division: Health Care Financing Administration

Administering Office/Center/Institute: Bureau of Program Operations

STATE ADMINISTERING AGENCY/GRANTEES:

Medicare is a Federal health insurance program for the elderly. The program is administered by the Health Care Financing Administration.

PROGRAM DESCRIPTION:

General

Medicare is a Federal health insurance program for people aged 65 or older and certain people under 65 who are disabled or who suffer from end-stage renal disease (ESRD). The program consists of three parts:

- o Part A - Hospital Insurance (HI) pays in part for inpatient hospital care, certain inpatient care furnished in skilled nursing facilities, home health care, and hospice care.
- o Part B - Supplementary Medical Insurance (SMI) pays in part for medically necessary physicians, services, outpatient hospital services, treatment for end-stage renal disease, laboratory services, durable medical equipment, and certain other medical services and supplies.
- o Catastrophic - Catastrophic Health Insurance (CHI) pays in part for the costs of acute catastrophic illnesses and for the cost of outpatient prescription drugs.

Transportation Services

Medicare Part B pays for transportation by ambulance only if other means of transportation would endanger the beneficiary's health, provided that the beneficiary is transported to an institution, to the beneficiary's home from an institution, or the beneficiary makes a round trip from a hospital or

a Medicaid certified nursing facility to another hospital or non-hospital treatment facility. Non-hospital treatment facilities include clinics, therapy centers, and physicians' offices to obtain medically necessary diagnostic or therapeutic services not available at the institution where the beneficiary is an inpatient.

Ambulance services must be medically necessary and reasonable in the context of diagnosis or treatment of the illness or injury involved. In addition, the law provides for coverage of ambulance services only "where the use of other methods of transportation is contra-indicated by the individual's condition, but only to the extent provided by regulation." Current regulations allow for transportation by ambulance only when:

- o Normal transportation would endanger the health of the patient; and
- o The individual is transported to the nearest hospital with appropriate facilities, or to one in the same locality, under similar restrictions, from one hospital to another, to the patient's home or to an extended care facility.

Transportation by air or water may also qualify as ambulance service. These services may be available in remote or sparsely populated areas of the United States where great distances or other obstacles are involved in transporting the patient to the nearest hospital with appropriate facilities when speedy admission is essential.

PROGRAM ELIGIBILITY:

In order to participate in the transportation aspects of Medicare, a beneficiary must be enrolled in Part B of the program.

FUNDING FLOW:

Medicare reimbursement is administered through private organizations, primarily Blue Cross and Blue Shield plans and other commercial insurance companies. These companies have responsibility for basic claims processing activities; benefit payment oversight activities which include utilization review and audits, recovering any erroneous Medicare payments; and management activities that identify systems improvements which can result in lower claims processing costs.

APPROPRIATED FUNDING:

FY 1988: *\$26,667,000,000

FY 1989: *\$31,309,000,000

*Based on budgetary estimates of HCFA.

APPLICATION PROCESS AND MATCHING FUNDS :

Application Process

In order to offer specialized transportation services, State Medicare/Medicaid agencies must certify prospective providers.

Matching Funds

Not Applicable

**TITLE XIX - GRANTS TO STATES FOR MEDICAL
ASSISTANCE PROGRAMS
(MEDICAID)**

AUTHORIZING LEGISLATION:

Law: Title 19 of the Social Security Act

Section: 1905 (a) (21)

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services

Operating Division: Health Care Financing Administration (HCFA)

Administering Office/Center/Institute: Office of Medicaid Management,
Bureau of Quality Control

STATE ADMINISTERING AGENCY/GRANTEES:

State Medicaid agencies administer the Medicaid program at the State level.

PROGRAM DESCRIPTION.:

General

The Medicaid program provides grants to States for medical care to certain low-income people. It is a State-administered effort governed by relatively broad Federal guidelines in accordance with an approved State plan. Medicaid services must include:

- o Inpatient hospital services;
- o Outpatient hospital services;
- o Laboratory and X-ray services;
- o Skilled nursing facility services for persons 21 years of age and older;
- o Early and periodic screening, diagnosis and treatment for persons under 21 years of age;
- o Rural health clinic services;
- o Family planning services and supplies;
- o Physicians' services;

- o Home health care; and
- o Nurse midwife services.

Financing is shared between the Federal government and State governments. Federal matching funds for medical assistance costs are provided to States based on the amount of State expenditures. The Federal match rates are determined on the basis of a formula which measures relative per capita income in each State. Matching rates may range from 50 to 83 percent for medical assistance payments, and from 50 to 90 percent for administrative costs.

Transportation Services

Transportation is a required service under Medicaid, and States may be reimbursed for transportation costs either as an administrative expense or an optional medical service.

The administrative Medicaid transportation regulatory requirements are contained in Title 42 of the U.S. Code of Federal Regulations (CFR), part 431.53. The regulations do not require that States actually furnish transportation, but rather that they assure its availability. States may do this in a variety of ways that include:

- o Utilization of school buses in off-service hours;
- o Utilization of State-owned and staffed vehicles, such as airplanes, helicopters, station wagons, mini-buses and vans;
- o Arrangements with local and voluntary organizations such as the American Red Cross and senior citizens groups;
- o Agreements with other State program components, such as the aging and rehabilitation programs;
- o Use of volunteer groups whose members will use their own automobiles to provide transportation with the State agency reimbursing for mileage;
- o Provision of bus tokens or trip tickets;
- o Contracts with transit companies and taxi firms on a prepaid basis; and
- o Contracts with transit companies for reduced rates for ambulatory Medicaid recipients during nonpeak hours.

Section 1905(a)(21) of the Social Security Act and 42 CFR 440.170 allow States to provide medical care and services not specified in the Act, including transportation, as optional medical services, provided that the services are recognized under State law and specified by the Secretary. Transportation is recognized as an item of medical assistance only when furnished by a provider to whom a direct vendor payment may be made by the State. An ambulance company is an example of a provider commonly used by those States who provide transportation as an optional medical service.

Transportation is further defined to include "related travel expense" For example, a recipient may require a particular medical service available in another county, city or State. Related travel expenses may include the patient's lodging and meals in route to and from the medical provider and, if medically necessary, the cost (salary) of an attendant to accompany the recipient (excluding family members), and the attendant's lodging, meals, and transportation.

Transportation costs are included under either "other medical care" or "administrative cost". There is no separate reporting category for these costs.

PROGRAM ELIGIBILITY:

In general, "categorically needy" individuals who are given public assistance under the Social Security Act because they are poor, and are either aged, or blind, or disabled, or specified members of families with dependent children, must be covered by Medicaid. States may also cover individuals who are not eligible for these benefits. For example, States may cover higher income persons in institutions, low-income women and children, and aged, blind, and disabled persons below the poverty line. They may also cover persons who do not meet the income or resource standards, but who incur large medical expenses or have incomes slightly higher than cash assistance levels (these people are generally referred to as the "medically needy").

All recipients of transportation services reimbursable under Medicaid must have been determined to be eligible for those services by the State Medicaid agency. In general, transportation must be to a Medicaid provider, and the recipient must have a documented need for medically necessary transportation. Transportation is indicated only when ordinary public and private conveyance are medically contra-indicated or unavailable. The nearest appropriate and available provider must be utilized.

Transportation providers in the majority of States must be enrolled as Medicaid providers. Most States also require vehicles to be appropriately licensed, operated and equipped in accordance with Federal, State and local statutes. Also, operators must show evidence of appropriate licensure or certification.

FUNDING FLOW:

Federal Medicaid reimbursements are made directly to the State Medicaid Agency. The State Medicaid Agency makes payments to State Medicaid vendors.

APPROPRIATED FUNDING:

For Fiscal Year (FY) 1988, total Medicaid costs will approximate \$54.4 billion, of which the Federal share is \$30.5 billion; for FY 89, costs are projected at \$61.4 billion, with \$34.5 billion as the Federal share. These estimates are based upon information contained in the Quarterly Medicaid Program Budget Report (HCFA-25) as of November 1988.

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process

Application to become a Medicaid provider is made through the State Medicaid agency.

Matching Funds

There are no requirements for matching funds. States are reimbursed for services in accordance with a statutory formula based on the State's per capita income. States establish fees for vendor services and payments.

HEALTH RESOURCES AND SERVICES ADMINISTRATION

AIDS SERVICE DEMONSTRATION GRANTS

AUTHORIZING LEGISLATION:

Law: Public Health Service Act

Section: 301

FEDERAL ADMINISTERING AGENCY

Agency: Department of Health and Human Services

Operating Division: Public Health Service

Administering Office/Center/Institute: Bureau of Maternal and Child Health and Resources Development, Health Resources and Services Administration

STATE ADMINISTERING AGENCY/GRANTEES:

This is a demonstration grant program that works directly with demonstration projects.

PROGRAM DESCRIPTION:

General

The AIDS Service Demonstration Program is designed to improve services for people with AIDS and other Human Immunodeficiency Virus (HIV)-related conditions. As of September 30, 1988, 21 AIDS Service Demonstration Project grants had been awarded. The intent of these grants is to:

- o Facilitate the development of coordinated systems of care for people with HIV infection;
- o Ensure a continuity of services through effective case management;
- o Identify unmet needs and take measures to meet those needs; and
- o Reduce the overall costs of providing medical services of people with AIDS and other HIV-related conditions through alternatives to hospital care.

The systems and strategies of care developed under these grants are expected to serve as models for other communities.

Transportation Services

- Transportation is an allowable expense. Four of the twenty-one (21) funded projects include a small transportation component.

PROGRAM ELIGIBILITY:

Eligibility requirements include having 300 or more CDC-listed cumulative cases of AIDS as of the most recent CDC report.

FUNDING FLOW:

Funding is provided directly to the grantee from the Bureau of Maternal and Child Health and Resources Development.

APPROPRIATED FUNDING:

FY 1988: \$14.4 million

FY 1989: \$14.9 million

APPLICATION PROCESS AND MATCHING FUNDS

Application Process

Applicants may apply for funding through:

Bureau of Maternal and Child Health and Resources
Development, HRSA
Office of Special Projects
5600 Fishers Lane, Room 9A-05
Rockville, Maryland 20857
Telephone: (301) 443-6745

Matching Funds

Not required

BLACK LUNG CLINIC

AUTHORIZING LEGISLATION:

Law: Federal Mine Safety Act

Section: 427(a)

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services (DHHS)

Operating Division: Public Health Service

Administering Office/Center/Institute: Bureau of Health Care Delivery and Assistance, Health Resources and Services Administration

STATE ADMINISTERING AGENCY/GRANTEES:

This program is a project grant program which works directly with local public or private entities.

PROGRAM DESCRIPTION:

General

The Black Lung Clinic Program provides project grants to local entities in areas where there are significant numbers of miners who suffer from Black Lung disease. The grantees maximize existing educational resources to increase patient ability for self-care and to expand local capacity to perform examinations of miners seeking eligibility for Black Lung benefits.

Transportation services

Transportation is an allowable expense under the Black Lung Clinic Program.

PROGRAM ELIGIBILITY:

Eligibility requirements include being a public or private entity. Active, unemployed and retired coal miners with Black Lung or related chronic and obstructive pulmonary diseases are eligible for all program services.

FUNDING FLOW:

Black Lung Clinic program funds are provided directly to the grantees from the Bureau of Health Care Delivery and Assistance. Applications are submitted directly to the appropriate DHHS regional office; and funds are allocated by the central office.

APPROPRIATED FUNDING:

FY 1988: \$3.3 million

FY 1989: \$3.2 million

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process

Public and private entities may apply for funding under Section 427(a) of the Federal Mine Safety and Health Act through the appropriate DHHS regional office.

Matching Funds

Applicant must earn part of the project costs from all eligible and applicable third-party revenue sources (e.g., Medicaid).

COMMUNITY HEALTH CENTERS

AUTHORIZING LEGISLATION:

Law: Public Health Service Act

Section: 330

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services (DHHS)

Operating Division: Public Health Service

Administering Office/Center/Institute: Bureau of Health Care Delivery and Assistance, Health Resources and Services Administration

STATE ADMINISTERING AGENCY/GRANTEES:

This program is a project grant program which works directly with public or private nonprofit local entities.

PROGRAM DESCRIPTION:

General

The Community Health Centers Program is a project grant program which provides nonprofit local entities with funds to support the development and operation of Community Health Centers (CHCs). CHCs provide primary health services, supplemental health services, and environmental health services to urban and rural medically underserved populations. Program priorities include:

- o Maintenance of existing centers;
- o Expansion of population and service coverage in existing centers;

- o Implementation of mechanisms for improving quality of care; and
- o Maximizing third party reimbursement levels.

Transportation services

CHC program regulations specify that primary care services include "Transportation services as needed for adequate patient care, sufficient so that residents of the catchment area served by the center with special difficulties of access to services provided by the center receive such services."

This includes:

- o The costs of leasing vehicles to serve as mobile health care units or shuttle buses;and
- o Personnel services associated with transportation.

Less than one percent of total CHC funding is used for transportation costs.

PROGRAM ELIGIBILITY:

Eligibility requirements include being public or nonprofit private agencies, institutions or organizations, or State or local governments. Individuals residing in medically underserved areas served by CHCs are eligible for services.

FUNDING FLOW:

Funding is provided directly to the grantees through the Bureau of Health Care Delivery and Assistance. Applications are submitted to the appropriate DHHS regional office, with grant authority held by the central office.

APPROPRIATED FUNDING:

FY 1988: \$395.2 million

FY 1989: \$414.8 million

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process

Applicants may apply for funding under Section 330 of the Public Health Service Act through application to the appropriate Public Health Service Regional Office, DHHS.

Matching Funds

Applicant must earn part of the project costs from all eligible and applicable third-party revenue sources (e.g., Medicaid).

HEALTH CARE FOR THE HOMELESS

AUTHORIZING LEGISLATION:

Law: Public Health Service Act

Section: 340

FEDERAL ADMINISTERING AGENCY

Agency: Department of Health and Human Services (DHHS)

Operating Division: Public Health Service

Administering Office/Center/Institute: Bureau of Health Care Delivery and Assistance, Health Resources and Services Administration

STATE ADMINISTERING AGENCY/GRANTEES:

This program is a project grant program which works directly with local public or private nonprofit local entities.

PROGRAM DESCRIPTION:

General

The Health Care for the Homeless Program provides grants to local public and private non-profit entities to provide primary health care services, alcohol and substance abuse services, and mental health services to homeless populations of the United States. Grantees are required to provide the following services:

- o Primary health care services at locations that are accessible to homeless persons;
- o Substance abuse services which may include detoxification and residential treatment for substance abuse in settings other than hospitals;
- o Twenty-four hour emergency health services;
- o A system for referral to mental health services; and
- o A system for obtaining eligibility for services under entitlement programs.

Transportation services

Transportation directly related to carrying out activities under the approved project is an allowable expense. Allowable transportation costs

include transportation of the homeless to service delivery sites and referrals and transportation to a substance abuse or emergency mental health treatment center that can provide crisis intervention.

Approximately two (2) percent of the Health Care for the Homeless program funds is used for transportation services.

PROGRAM ELIGIBILITY:

Eligibility requirements include being an experienced provider of comprehensive primary health care, substance abuse and/or mental health services to homeless individuals or medically underserved populations.

FUNDING FLOW:

Funding is provided directly to the grantees from the Bureau of Health Care Delivery and Assistance. Applications are submitted to the appropriate DHHS regional office, and funds are obligated by the central office.

APPROPRIATED FUNDING

FY 1988: \$14.4 million

FY 1989: \$14.8 million

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process

Public and private nonprofit organizations interested in applying for funding under Section 340 of the Public Health Service Act should contact and make application to the appropriate DHHS regional office.

Matching Funds

Applicant must make contributions of not less than 33 1/3 percent in non-Federal funds.

MIGRANT HEALTH CENTERS

AUTHORIZING LEGISLATION:

Law: Public Health Service Act

Section: 32g

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services (DHHS)

Operating Division: Public Health Service

Administering Office/Center/Institute: Bureau of Health Care Delivery and Assistance, Health Resources and Services Administration

STATE ADMINISTERING AGENCY/GRANTEES:

This program is a project grant program which is centrally administered and works directly with public or private nonprofit local entities.

PROGRAM DESCRIPTION:

General

The Migrant Health Centers Program was established to improve the health status of migrant and seasonal farm workers and their families. The program provides project grants to local nonprofit agencies. Comprehensive health services funded through the program include:

- o Primary and supplemental health care;
- o Hospitalization benefits; and
- o Other environmental health training and education, sanitation and safe working conditions.

Transportation services

Grantees are required by statute to provide primary health services, including transportation required for adequate patient care. Program regulations specify that transportation services be "sufficient so that residents of the catchment area served by the center with special difficulties of access to services provided to the center receive such services." This includes a wide range of functions that include:

- o Lease of vehicles to serve as mobile health care units or shuttle buses; and
- o Personnel services associated with transportation.

Approximately 1.9 percent of Migrant Health Centers Program funds is used for transportation costs.

PROGRAM ELIGIBILITY:

Eligibility requirements include being a public or private nonprofit entity. Migrant and seasonal farm workers and their families are eligible for services.

FUNDING FLOW:

Funding is provided directly to the grantees through the Bureau of Health Care Delivery and Assistance. Applications are submitted to the appropriate DHHS regional office, with grant authority held by the Central Office.

APPROPRIATED FUNDING:

FY 1988: \$43.5 million

FY 1989: \$45.6 million

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process

Applicants may apply to the appropriate Public Health Service Regional Office, DHHS, for funding under Section 329 of the Public Health Service Act.

Matching Funds

Applicant must earn part of the project costs from all eligible and applicable third-party revenue sources (e.g., Medicaid).

OFFICE OF THE ASSISTANT SECRETARY FOR HEALTH

ADOLESCENT FAMILY LIFE PROGRAM

AUTHORIZING LEGISLATION:

Law: Public Health Service Act, as amended.

Section: Title XX

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services

Operating Division: Public Health Service

Administering Office/Center/Institute: Office of Population Affairs, Office of the Assistant Secretary for Health

STATE ADMINISTERING AGENCY/GRANTEES:

The Adolescent Family Life Program is a centrally administered discretionary program. Grantees include State and local governments and private nonprofit organizations which include national organizations, hospitals, schools, crisis pregnancy centers and social service agencies. There are about eighty funded projects throughout the country.

PROGRAM DESCRIPTION:

General

The Adolescent Family Life Program is a small demonstration program designed to develop new and promising approaches to the problem of teen pregnancy. The program funds prevention projects intended to encourage teens who are not sexually active to remain abstinent. This component provides values based sexuality education to teens, pre-teens and their parents. The care component provides health, counseling and social services to pregnant and parenting teens, and emphasizes alternatives to abortion, ways to have a healthy pregnancy, adoption, child development, education and job skill development. The Adolescent Family Life Program also supports a research grant activity designed to improve our understanding of issues surrounding adolescent pregnancy.

Transportation Services

Transportation is specified in the Legislation as a service which grantees may provide. However, in practice, transportation is not a major part of any of the current projects, and little or no funds are expended for transportation in most of the projects. Given the small size of the projects, transportation which is provided generally involves payment of expenses for volunteers willing to transport pregnant teens or parenting teens and

their infants, or provision of carfare directly to the teen client. In a few cases, grantees have been authorized to purchase a van to transport clients, primarily to rural projects where this form of transportation is the only option.

There is no requirement for grantees to provide transportation services, and a decision to provide transportation services without special authorization would be within the project director's discretion.

There are no provisions for transportation providers to apply to the Public Health Service central or regional offices to provide transportation services.

PROGRAM ELIGIBILITY:

Eligible grantees include State and Local governments and private, non-profit organizations. Private nonprofit grantees include national organizations, hospitals, schools, crisis pregnancy centers and social service agencies.

FUNDING FLOW:

The Adolescent Family Life Program is a discretionary program which is centrally administered. Grant award decisions are made by the Deputy Assistant Secretary for Population Affairs after review by a non-governmental review panel.

APPROPRIATED FUNDING:

FY 1988: \$9.6 million

FY 1989: \$9.5 million

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process

A request for applications is published annually in the Federal Register, generally in February. This provides information on program priorities and the application process. It also includes information on how a prospective applicant can obtain a complete application kit.

Matching Funds

The statute establishes matching requirements. Subject to Secretarial waiver, a project for services under this title may not exceed 70 percent of the costs of the project in the first and second years of the project; 60 percent of the costs in the third year; 50 percent of the costs in the fourth year, and 40 percent in the fifth year of the project.

INDIAN HEALTH SERVICE

AUTHORIZING LEGISLATION:

Law: 25 USC (Snyder Act)

Section: 13

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services

Operating Division: Public Health Service

Administering Office/Center/Institute: Office of Planning, Evaluation, and Legislation, Indian Health Service (IHS), Office of Assistant Secretary for Health

STATE ADMINISTERING AGENCY/GRANTEES:

The IHS programs are administered by both the IHS and tribes and tribal groups through contracts with the IHS. The federally-administered programs include 44 hospitals, 66 health centers, seven school health centers, and several hundred smaller health stations and satellite clinics. Programs administered by tribes and tribal groups include six hospitals, 70 health centers, one school health center, and several hundred smaller stations and satellite clinics. In addition, medical care is purchased from approximately 2,000 private providers for services not readily available from either the IHS direct care or tribally operated systems.

PROGRAM DESCRIPTION:

General

The IHS is the United States Public Health Service Agency responsible for administering the principal Federal health programs for American Indians and Alaska natives. The IHS provides high quality preventive, curative, rehabilitative and environmental health services to eligible Indian and Alaska Native populations.

Transportation Services

The IHS provides transportation services for patients and escorts, such as physicians, nurses, parents, guardians, etc., between health care facilities or from residence to health care facilities when private transportation is not available.

PROGRAM ELIGIBILITY:

Individuals must meet eligibility requirements of 42CFR36 for services from the Indian Health Services.

FUNDING FLOW:

Funds are allocated to the IHS area offices.

APPROPRIATED FUNDING:

Approximately \$9.2 million of Federal funding supports the IHS patient and escort travel activity.

APPLICATION PROCESS AND MATCHING FUNDS:**Application Process**

Interested prospective applicants should contact:

Everett R. Rhoades, M.D.
Assistant Surgeon General
Director, Indian Health Service
5600 Fisher sLane
Rockville, Maryland 20857
Telephone: (301) 443-4724

Matching Funds

None

TITLE X FAMILY PLANNING PROGRAM

AUTHORIZING LEGISLATION:

Law: Public Health Service Act

Section: Title X

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services

Operating Division: Public Health Service

Administering Office/Center/Institute: Office of Population Affairs, Office of the Assistant Secretary for Health

STATE ADMINISTERING AGENCY/GRANTEES:

The Title X Family Planning Program is a Regionally administered discretionary grant program. Grantees range from state and local governments to nonprofit agencies which include hospitals, Planned Parenthood affiliates, and family planning councils.

PROGRAM DESCRIPTION:

General

The Title X Family Planning Program provides family planning services, including contraception, natural family planning and infertility to about 4.3 million principally female clients annually through a network of 4,000 clinics located throughout the country. Priority clients are members of low income families, although economic considerations are not permitted to become barriers to services.

Transportation Services

Transportation is not a specifically authorized or required service in the Title X Family Planning Program. Grantees may expend a reasonable proportion of their budgets for transportation if circumstances require, or if this use of funds is judged necessary to ensure access to services. Practically, however, few if any grantees do or would provide transportation since Title X clinics are so well distributed and most have backlogs for services. As a result, allocation of Title X funds for transportation is not generally considered to be a wise use of limited resources. There is no central or regional point to which transportation providers could apply to provide transportation services under the Title X Program.

PROGRAM ELIGIBILITY:

Grantees include State and local governments and nonprofit agencies such as hospitals, Planned Parenthood affiliates, and family planning councils.

FUNDING FLOW:

Title X is a discretionary program in which the central office allocates funds among the ten regions, and award and administration of specific grants is managed by Public Health Service regional administrators.

APPROPRIATED FUNDING:

FY 1988: \$139.6 million

FY 1989: \$138.3 million

APPLICATION PROCESS AND MATCHING FUNDS:**Application Process**

Awards are made for periods of 3 to 5 years. At the end of a project's funding period, availability of funds for competitive award is announced in the service area by the PHS Regional Health Administrator using newspaper announcements, letters to prospective applicants or other appropriate means.

Matching Funds

No minimum amount of matching funds is required. The statute requires that grants for family planning projects must represent at least 90 percent of the cost of such projects.

OFFICE OF COMMUNITY SERVICES

COMMUNITY SERVICES BLOCK GRANT

AUTHORIZING LEGISLATION:

Law: Omnibus Budget Reconciliation Act of 1981, Public Law 97-35, as amended by Public Law 98-555 and Public Law 99-425

Sections: 675(c), 675 (c) (2) (A)

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services

Operating Division: Family Services Support Administration

Administering Office/Center/Institute: Office of Community Services (OCS)

NOTE: OCS is a successor to the Community Services Administration (CSA), which previously administered this program through direct grants to local agencies under what was known as the CSA Local Initiative Program. CSA was abolished on September 30, 1981.

STATE ADMINISTERING AGENCY/GRANTEES:

The State is the principal administering agency, and the Governor designates the State agency to receive the Community Services Block Grant (CSBG) and administer the program. Many Governors have designated offices formerly known as "State Economic Opportunity Offices," but there is no standard name or placement for such an office under the block grant. Fifteen are located in State departments of community affairs, approximately twenty are located in State welfare/social services agencies, and the remainder are located in Governors' offices, State departments of labor, State planning offices, or State departments of economic security.

PROGRAM DESCRIPTION:

General

The CSBG provides funds to States to ameliorate the causes of poverty in communities within the State. Most funds are currently "awarded" by States to over 1,000 Community Action Agencies, Indian tribes, or agencies previously funded by CSA. These agencies provide a variety of specific services to poor individuals or broader activities to promote community participation or advocacy for the interests of the poor under State supervision.

Transportation Services

Transportation services are an eligible use of CSBG funds, assisting the low-income and elderly to obtain jobs, child care, emergency services and the like.

Community Food and Nutrition (CF&N) funds awarded to States may, but are not likely to be, used for transportation services. The competitive grant program funds are not usually awarded for transportation services.

APPROPRIATED FUNDING:

In FY 1988 and FY 1989, \$363,142,000 and \$361,680,000 respectively, were appropriated for the CSBG program. These funds were allocated as follows:

	FY '88	FY '89
State and Indian Tribe Allocations:	\$325,516,000	\$318,630,000
Secretary's Discretionary Program:	\$ 32,360,000	\$ 37,120,000
Demonstration Partnership Program:	\$ 2,872,000	\$ 3,512,000
Community Food and Nutrition Program:	\$ 2,394,000	\$ 2,418,000

PROGRAM ELIGIBILITY:

States are required to use at least 90 percent of their allocations for grants to "eligible entities" as defined in the Community Services Block Grant Act, as amended, which includes primarily locally-based community action agencies and/or organizations that serve seasonal or migrant farmworkers. Beginning FY 1985 and continuing during subsequent fiscal years, States have been allowed to grant up to seven percent of the funds available under Section 675 (c) (2) (A) (i) of the CSBG Act to organizations which were not "eligible entities" in the previous Fiscal year. Colorado, Utah and Wyoming are exempt from this 90 percent requirement. Eligible entities must provide services to low-income individuals and families. The official poverty line established by the Director of the Office of Management and Budget is used as a criterion of eligibility in the CSBG Program.

FUNDING FLOW:

Most funds are awarded by States to over 1,000 community action agencies, migrant and seasonal farmworkers organizations, Indian tribes, and agencies previously funded by the Community Services Administration.

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process

States must submit an annual application each fiscal year, and must specifically provide "assurances" that the funds will be used "to provide a range of services and activities having measurable and potentially major impact on causes of poverty in the community," and further, "to provide activities designed to assist low income participants, including the elderly

poor, to secure and retain meaningful employment, to attain adequate education, to make better use of available income, to obtain and maintain adequate housing, a suitable living environment, and other services to benefit the low-income.

State plans must be made available for public inspection and comment. A legislative hearing must be held each year that a State receives CSBG funds. The Secretary of DHHS must conduct regular investigations of the use of funds by the States, and investigate specific complaints. The Comptroller General of the United States (GAO) is also directed to investigate from time to time.

Matching Funds

There is no State matching requirement. There is no local match required by Federal law, but some States have set a local matching requirement.

State grants are based on their respective share of CSA Local Initiative grants in FY 1981. In FY 1985, grants ranged from \$881,575 for the smallest States, to \$29,533,423 for California. Territories receive a guaranteed minimum grant.

There is no substate allocation requirement. However, Federally or State-recognized Indian tribes are eligible for direct funding from OCS if they prefer, in which case a tribe's allocation would be based on the ratio of its members to the percentage of poor persons in the State, and this allocation is deducted from the State grant.

Section 681(a) authorizes the Community Food and Nutrition Program (CF&N). In FY 1989, CF&N grants to public and private nonprofit agencies for community-based, local and statewide CF&N Programs total \$82,418,000. The CF&N initiative consists of two components. The first is for Statewide programs (\$1,450,800) operated as a supplement to the CSBG Program, and the second is a \$5,967,200 competitive grant program open to public and private nonprofit organizations.

EMERGENCY COMMUNITY SERVICES HOMELESS GRANT

AUTHORIZING LEGISLATION:

Law: Stewart B. McKinney Homeless Assistance Act of 1987, Public Law 100-77, as amended by Public Law 100-628

Sections: Title VII, Subtitle D, Secs 751-754 & 762 of Public Law 100-77; Title VII, Subtitle A, Sec. 704 of Public Law 100-628

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services

Operating Division: Family Support Administration

Administering Office/Center/Institute: Office of Community Services (OCS)

STATE ADMINISTERING AGENCY/GRANTEES:

The State is the principal administering agency, and the Governor designates the State agency to receive the Emergency Community Services Homeless Grant Program (EHP) funds and administer the program. Many Governors have designated offices formerly known as "State Economic Opportunity Offices," but there is no standard name or placement for such an office under the block grant. Fifteen are located in State departments of community affairs, approximately twenty are located in State welfare/social services agencies, and the remainder are located in Governors' offices, State departments of labor, State planning offices, or State departments of economic security.

PROGRAM DESCRIPTION:

General

The EHP provides funds to States to (1) expand comprehensive services to homeless individuals to provide follow-up and long-term services to help them make the transition out of poverty; (2) provide assistance in obtaining social and maintenance services and income support services for homeless individuals; (3) promote private sector and other assistance to homeless individuals; and (4) after October 1, 1955, provide assistance under certain conditions to an individual who has received a notice of foreclosure, eviction, or termination of utility services, in order to prevent them from becoming homeless. (A State may not spend more than 25% of its funds for such prevention activities.)

Transportation Services

Transportation services are an eligible use of funds. Some grantees are providing transportation to jobs or job training, medical services, etc.

PROGRAM ELIGIBILITY:

The McKinney Act provides that the funds appropriated for the EHP are to be distributed to 57 States and territories that receive funds under the Community Services Block Grant (CSBG) Program (42 U.S.C. 9901 et seq.), using the allocation formula that applies to the CSBG Program, which takes into account the relative number of persons living in poverty. In addition, the McKinney Act directs that not less than 1.5 percent of appropriated funds are to be set aside for federally-recognized Indian tribes. In FY 1988, grants ranged from 847,870 for the smallest States, to 81.75 million for California. Territories receive a guaranteed minimum grant.

The State must award all its funds to community action agencies and other entities eligible to receive funds from the State under Sec. 675(c)(2)(A) of the CSBG Act, organizations serving migrant and seasonal farmworkers, and certain other organizations that received FY 1984 CSBG funds from a State under special waiver provisions included in Public Law 98-139. Ninety percent of the amounts must go to eligible organizations that were providing services to meet the critically urgent needs of homeless individuals as of January 1, 1987.

FUNDING FLOW:

Most funds are currently "passed-through" to over 1,000 community action agencies, migrant and seasonal farmworker organizations, federally-recognized Indian tribes, or agencies previously funded by the CSBG Program.

APPROPRIATED FUNDING:

Appropriations for the EHP were 36.6 million for FY 1987, 19.148 million for FY 1988, and 18.9 million for FY 1989.

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process

States must submit an annual application at a time established by DHHS, and must specifically provide "assurances" signed by the Governor or his/her designee that the funds will be used to carry out the goals of the program.

Matching Funds

There is no State matching requirement. There is no local match required by Federal law.

OFFICE OF POLICY, PLANNING, AND LEGISLATION

SOCIAL SERVICES BLOCK GRANT

AUTHORIZING LEGISLATION:

Law: Title XX of the Social Security Act, 42 USC 1397

SectionS: 2001-2006

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services

Operating Division: Office of Human Development Services

Administering Office/Center/Institute: Office of Policy, Planning and Legislation

STATE ADMINISTERING AGENCY/GRANTEES:

Social Services Block Grants (SSBG's) are administered by the State human service agencies. Each State determines what services are provided, who is eligible to receive services, and how funds are distributed among the various services, geographic areas, and substate providers.

PROGRAM DESCRIPTION:

General

The SSBG Program became effective on October 1, 1981, and provides formula grants directly to the 50 States, the District of Columbia, and the eligible jurisdictions of Puerto Rico, Guam, Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands, for use in funding a variety of social services best suited to the needs of individuals residing within the State or jurisdiction. Social services provided using SSBG funds include day care homemaker services, protective services for adults and children, and employment and training services.

Transportation Services

In FY 1988, 27 States used SSBG funds to provide transportation services. This may be an under-count, however, as some States report transportation services, not as a separate service, but as a secondary component of a primary service, e.g., transportation to day care services. At this time, States are not required to report detailed expenditure data.

PROGRAM ELIGIBILITY:

Each of the 50 States and eligible jurisdictions are eligible to receive SSBG funds. Each State and jurisdiction determines the eligibility criteria for each service.

FUNDING FLOW:

Funds are provided directly to the designated State agency. State agencies provide funds to service providers.

APPROPRIATED FUNDING:

In FY 1989, \$2.7 billion was appropriated.

APPLICATION PROCESS AND MATCHING FUNDS:**Application Process**

Transportation providers can apply for funding directly to the State agency responsible for administering SSBG funds.

Matching Funds

States are not required to provide matching funds. States may require service providers to provide matching funds.

OFFICE OF REFUGEE RESETTLEMENT

REFUGEE RESETTLEMENT PROGRAM

AUTHORIZING LEGISLATION:

Law: Title IV of the Immigration and Nationality Act

Section: 412(c)

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services

Operating Division: Family Services Support Administration

Administering Office/Center/Institute: Office of Refugee Resettlement (ORR)

STATE ADMINISTERING AGENCY/GRANTEES:

Grants are made to States and national voluntary refugee resettlement agencies.

PROGRAM DESCRIPTION:

General

The Refugee Resettlement Program makes grants to States and national voluntary refugee resettlement agencies to provide assistance and services to refugees in the United States. Services include employment services, job training and adult English language training. Grantees may provide services directly or through contracts with service providers.

Transportation Services

States and other grantees receiving funds for services to refugees may provide transportation to and from services such as employment, job training and adult English language training. Transportation services are optional and are determined by the grantee. Transportation funds are neither set aside nor funded directly by the Department of Health and Human Services.

PROGRAM ELIGIBILITY:

Refugee Resettlement Program grants are made to grantees for the following purposes:

- o To States for refugee social services, according to a statutory for refugee social services, and for targeted assistance to counties with high refugee needs according to an administratively determined formula; and

- o To national voluntary refugee resettlement agencies responsible for refugees resettled under cooperative agreements with the United States Department of State for the reception and initial placement of refugees.

FUNDING FLOW:

ORR funds flow directly from the Family Support Administration, Washington, D.C., to the State agency administering the Refugee Resettlement Program. State agencies may contract with service providers.

APPROPRIATED FUNDING:

FY 1988: \$346,933,000

FY 1989: \$382,356,000

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process

Interested service providers should contact the State agency which administers the Refugee Resettlement Program.

Matching Funds

None

SOCIAL SECURITY ADMINISTRATION

**RETIREMENT INSURANCE, SURVIVORS INSURANCE,
DISABILITY INSURANCE BENEFITS, SUPPLEMENTAL
SECURITY INCOME, AND BLACK LUNG BENEFITS**

AUTHORIZING LEGISLATION:

Law: Social Security Act of 1935 Title II, as Amended; Federal Mine Safety and Health Amendments Act of 1977, Title XVI, as Amended.

FEDERAL ADMINISTERING AGENCY:

Agency: Department of Health and Human Services (DHHS)

Operating Division: Social Security Administration (SSA)

Administering Office/Center/Institute: Programs are administered through local District Offices

STATE ADMINISTERING AGENCY/GRANTEES:

The Federal Government operates the retirement, survivors, disability, hospital and medical insurance, black lung benefit, supplemental security income, and the totalization benefit programs.

PROGRAM DESCRIPTION:

General

The Social Security Act and related laws establish a number of programs which have the basic objectives of providing the material needs of individuals and families; protecting aged and disabled persons against the expenses of illnesses that could otherwise exhaust their savings; and keeping families together. These programs include:

- o Retirement insurance
- o Survivors
- o Disability insurance
- o Hospital and medical insurance for the aged, the disabled, and those with end-stage renal disease.
- o Black lung benefits
- o Supplemental security income

RETIREMENT, SURVIVORS, AND DISABILITY INSURANCE BENEFITS are paid under a social insurance program, administered by the Social Security Administration (SSA), a Federal agency. A person must file

an application for benefits, and he or she must meet certain eligibility requirements. The payments made under this program are commonly known as "Social Security Benefits". They are paid monthly.

SUPPLEMENTAL SECURITY INCOME (SSI) is a Federal program administered by SSA. It pays people in financial need who are age 65 or older, or who are blind or disabled. The benefits may be either paid directly to the eligible person or to a representative payee (see Chapter 16), if the person is incapable of managing benefits. Chapter 21 explains the SSI program in more detail.

THE BLACK LUNG BENEFITS REFORM ACT OF 1977 was enacted on March 1, 1978. It expanded some of the conditions of entitlement to cash monthly benefits. It required that claimants who filed claims within the jurisdiction of SSA, who have been denied or were pending, be given the opportunity to have their claims reviewed under the Reform Act by either SSA or the Department of Labor. No benefits under this law may be paid for periods before January 1, 1974. (Provisions of this law are explained in Section 2248).

The black lung benefits program provides for payment of monthly cash benefits to:

A coal miner who is totally disabled due to pneumoconiosis. The miners payment may be augmented to provide for a dependent wife, divorced wife, or children.

The widow, child, surviving divorced wife, parent brother, or sister of a miner who:

- Was entitled to black lung benefits at the time of death;or
- Was totally disabled by pneumoconiosis at the time of death;or
- Died from pneumoconiosis.

Transportation Services

Funds to pay for travel expenses are provided in SSA's Limitation on Administrative Expense account appropriation, which finances most of SSA's administrative costs from the Social Security trust funds, and in the special Benefits for Disabled Coal Miners (black lung) appropriation. These two appropriations do not specify an amount for travel expenses, but travel expenses is one of many administrative costs the appropriations fund.

Under certain circumstances, in accordance with SSA regulations, SSA will reimburse a claimant, a representative, or a witness for the most economical and expeditious (appropriate to the person's health) travel expenses incurred because of attendance at a medical examination, disability hearing involving the State disability determination agency, or at a hearing before an administrative law judge involving retirement, survivors, disability, Supplemental Security Income, or black lung benefits.

PROGRAM ELIGIBILITY:

The Social Security Act of 1935, Title II, Title XVI, and the Federal Mine Safety and Health Amendments Act of 1977, Title IV, have many related laws which cannot be indicated. The lengthy eligibility requirements are too numerous (e.g., for family members). Therefore, only basic client eligibility requirements will be identified.

- o Retired workers age 62 and over who have worked the required number of years under Social Security are eligible for monthly benefits.
- o Under Social Security Survivors Insurance, benefits are payable only if the deceased was insured for survivors insurance protection.
- o Under Social Security Disability Insurance, a disabled worker under age 65 is eligible for benefits if he or she has worked for a sufficient time period under Social Security to be insured.
- o Under the Supplemental Security Income Program, persons who are 65 years of age and over, or are blind, or disabled are assured a minimum level of income. Eligibility is determined on the basis of an assessment of monthly income and resources.
- o In order to be eligible for the program for disabled miners, the miner must have become disabled (defined in the Act) from black lung or another chronic lung disease as a result of coal mine employment. Monthly cash benefits are paid to eligible coal miners, and under certain conditions, their family members.

FUNDING FLOW:

The retirement, survivors, and disability insurance programs are financed through payroll taxes. Money not needed immediately to pay benefits or administrative expenses must, by law, be invested in interest-bearing obligations, guaranteed as to principle and interest by the Federal Government. These invested assets, which are held by Social Security trust funds, serve as contingency reserves in temporary situations in which expenditures exceed income. The Supplemental Security Income Program is funded through general revenues.

APPROPRIATED FUNDING:

FY 1988: \$233.5 billion

APPLICATION PROCESS AND MATCHING FUNDS:

Application Process

Application for travel expenses reimbursement can be made to the State agency requiring travel or to a Social Security Office.

Matching Funds

None

APPENDICES

APPENDIX A

**JOINT DOT/DHHS COORDINATING
COUNCIL ON HUMAN SERVICE TRANSPORTATION
DHHS WORK GROUP MEMBERS
DOT WORK GROUP MEMBERS**

MEMBERS OF THE
JOINT DOT/DHHS COORDINATING COUNCIL
ON HUMAN SERVICES TRANSPORTATION

DEPARTMENT OF TRANSPORTATION

Administrator
Urban Mass Transportation Administration (UMTA)
Department of Transportation (DOT)
and Council Co-Chairperson

Deputy Administrator
Urban Mass Transportation Administration, DOT

Associate Administrator
Office of Grants Management, UMTA /DOT

Associate Administrator
Office of Budget and Policy, UMTA /DOT

Associate Administrator
Office of Technical Assistance and Safety, UMTA /DOT

Chief Counsel
Urban Mass Transportation Administration, DOT

Regional Administrator
Regional Office
Urban Mass Transportation Administration, DOT

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of the Under Secretary
Department of Health and Human Services (DHHS)
Council Co-Chairperson

Office of the Assistant Secretary,
Office of Human Development Services , DHHS

Office of the Assistant Secretary,
Public Health Service, DHHS

Office of the Administrator
Health Care Financing Administration, DHHS

Office of the Assistant Secretary
for Management and Budget, DHHS

Office of the Commissioner on Aging
Administration on Aging, DHHS

Regional Director
Regional Office, DHHS

JOINT DOT/DHHS COORDINATING COUNCIL ON HUMAN SERVICE

TRANSPORTATION

DHHS WORK GROUP MEMBERS

Howard A. Foard, Jr.
Assistant to the Deputy Under Secretary, DHHS
and Work Group Coordinator

Robert Raymond
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Office of the Assistant Secretary for Planning and Evaluation, DHHS

James Dolson
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Policy Analyst, Office of Health Planning and Evaluation,
Public Health Services, DHHS

Gary Houseknecht
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Office of the Assistant Secretary for Management and Budget

Richard Chambers
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Health Care Financing Administration, DHHS

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Administration of Children, Youth, and Families,
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Winonah Warren
Program Specialist, Administration for Native Americans
Office of Human Development Services, DHHS

Jane Checken
Director, Division of Block Grants
Office of Community Services
Family Support Administration, DHHS

William Pittman
Administration on Developmental Disability
Office of Human Development Services, DHHS

Carol Crecy
Administration on Aging, DHHS

Melva Spriggs
Office of Equal Opportunity and Civil Rights
Office of Human Development Services, DHHS

JOINT DOT/DHHS COORDINATING COUNCIL ON HUMAN SERVICE

TRANSPORTATION

DOT WORK GROUP MEMBERS

Lynn Sahaj
Program Director, Sections 18 and 16 (b) (2) Programs
Urban Mass Transportation Administration, DOT

Mary Martha Churchman
Program Director, State - Rural Technical
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Roger Tate
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Assistance Program
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Richard Steimann
Policy Analyst, Office of Budget and Policy
Urban Mass Transportation Administration, DOT

APPENDIX B

AGENCY RESPONSES TO BARRIERS TO COORDINATION

DHHS

DOT

URBAN MASS TRANSPORTATION ADMINISTRATION

ISSUES AND RESPONSES

ON

PERCEIVED BARRIERS TO COORDINATION

Issue: Who can hold title to Section 16(b)(2) vehicles?

Response: State administering agencies may hold title to Section 16(b)(2) vehicles or title may be held by the private nonprofit recipient. If the State agency holds title, contractual arrangements must be in place to ensure that the nonprofit recipient maintains continuing control over the vehicle to carry out project purposes. In certain instances it may be beneficial for nonprofit organizations to co-title vehicles with other State or local governmental entities, in order to take advantage of blanket insurance rates or to participate in bulk purchase of fuel, maintenance and supplies. This is permitted, at the discretion of the State administering agency, where it results in a direct benefit to the nonprofit recipient providing the service, and as long as the nonprofit organization maintains continuing control over the vehicle and it continues to be used for its authorized purpose. In such instances, written safeguards should be put into place to assure this.

Issue: May Section 16(b)(2) vehicles be used to deliver meals through aging agencies senior meals programs?

Response: The purpose of the Section 16(b)(2) program is to assist in the transport of elderly and handicapped persons. It is not the intent of the program to be used to provide vehicles to deliver meals or other goods or services. However, vehicles may be used for non-mass transportation social service activities such as "meals on wheels" delivery if such use is incidental to the primary purposes of the vehicle and does not interfere with the use of the vehicle by elderly and handicapped persons. The number of Section 16(b)(2) vehicles that a nonprofit organization applies for must be determined only by the number of passengers to be transported, not by the need for meal delivery capacity. Where there is a question about such "incidental use" the State administering agency would determine on a case by case basis what constitutes incidental vehicular use, so long as it meets the criteria listed above.

Issue: Will UMTA consider providing States additional flexibility to transfer Section 9 and 18 funds to the Section 16(b)(2) program in the same way that funds can now be transferred between the Section 9 and Section 18 programs?

Response: The authority of Governors to transfer funds between the Section 9 program and the Section 18 program is derived from specific statutory provisions contained in the Urban Mass Transportation Act. Absent a similar statutory provision allowing for the transfer of funds to or from the Section 16(b)(2) program, UMTA does not have the authority to permit it. The only exception to this is under the authority of the "Omnibus Territories Act," which permits UMTA to consolidate grants to Insular Areas (currently Sections 18, 16(b)(2) and RTAP). Such consolidated grant funds may be used for any of the purposes authorized by the individual grant programs.

UMTA will be exploring the ramifications of a number of legislative changes to provide more flexibility to the Section 16(b)(2) program.

Issue: Section 16(b)(2) and 18 Property Management Standards: are trade-ins of old grant funded equipment for new grant funded equipment allowed?

Response: The new "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments" gives the States wide latitude in managing and disposing of equipment purchased with UMTA funds. States are to use their own policies and procedures for managing, maintaining and replacing equipment. If State laws and procedures permit the use of trade-ins in the procurement of new equipment, UMTA would not object.

Issue: Can an agency receive both Section 16(b)(2) funds and Section 8 funds?

Response: UMTA will not simultaneously recognize an applicant as being eligible for funds limited to a public body, while at the same time the applicant is claiming to be a private nonprofit organization eligible for assistance under the Section 16(b)(2) program. In those cases where an applicant might conceivably qualify as either, we would leave the choice to the applicant. A local agency who elects to receive Section 8 or 9 funds as a public body is precluded from receiving assistance as a Section 16(b)(2) recipient.

Issue: Why is a recipient of Section 16(b)(2) vehicles prohibited from allowing those vehicles to be operated by a public body?

Response: The statutory authority for the Section 16(b)(2) program allows grants to private nonprofit corporations and associations to meet the special needs of elderly and handicapped persons only where services provided by public bodies are unavailable, insufficient, or inappropriate. Thus, a grant should be made only in the absence of adequate publicly provided service. To award a Section 16(b)(2) grant on that basis, and then to turn around and lease that vehicle to a public agency contradicts the premise on which the grant is made, that service provided by public agencies is unavailable.

In addition, to allow these vehicles to be placed under the control and operation of public agencies is in conflict with UMTA's goals to maximize the role of the private sector in public transportation. Indeed, one of the most frequent complaints to UMTA regarding the Section 16(b)(2) program is that funds are being used to compete unfairly with the private sector. To allow vehicles to be leased to public agencies would exacerbate these concerns.

There are mechanisms which can be adopted which permit coordination of service even when vehicles remain in the hands of private nonprofit organizations, although they would not permit full consolidation of service under a public agency's control. For example, the public coordinating body can serve as a broker with an ability to organize sharing of private nonprofit agency resources. Local areas may also explore the use of private operators as coordinated service providers.

Issue: May a grantee establish a funded depreciation reserve to pay for acquisition of replacement vehicles?

Response: Yes. Such a reserve may be established and funded as an eligible operating expense in UMTA programs. This practice is consistent with the legislation authorizing UMTA to provide operating assistance. In addition, capital costs charged as part of operating contracts with other Federally funded programs may be deposited in such an account. However, funds from direct grants funded by DHHS may not be deposited in such accounts.

Issue: Several States are concerned that Section 18 funds are being used to transport clients of human service programs, replacing funds that had formerly been provided through DHHS programs. The question "Who is the general public?" arises in a similar context, because whether an individual is considered a human service program client, or part of the general public often determines which funding source pays for the trip.

Response: It is impossible for UMTA or DHHS to control the amount of funding that local human service agencies elect to devote to client transportation or to prevent reductions in their transportation expenditures. The larger question, "Where does DOT's responsibility end and DHHS's begin," in the area of specialized or human service transportation is also unanswerable, except to say in broad terms that there is joint responsibility, and that both Departments acknowledge this. A recently held Transportation Research Board Conference on the Role of the States (June 1-2, 1988) included among its recommendations that DHHS supported agencies specify a line item amount for transportation expenses, where allowed. This would expose the dimensions of the resource and facilitate negotiations with transportation agencies with respect to maintenance of effort.

URBAN MASS TRANSPORTATION ADMINISTRATION

ISSUES AND RESPONSES
ON
CROSS CUTTING PERCEIVED BARRIERS

Issue: Lack of mechanisms within UMTA and DHHS to get answers to pragmatic questions as they arise.

Many States and outside commentators believe that lack of clear directives and answers from UMTA and DHHS on many issues has caused varying interpretations and misinterpretations of Federal regulations at the State level.

Response: UMTA and DHHS now have in place several mechanisms to provide guidance and answers on coordination issues. These include Regional Working groups, chaired by UMTA Regional Managers and DHHS Regional Directors, and Washington staff in both UMTA and DHHS that focus on coordination issues. In addition, the Joint Council on Human Service Coordination, chaired by the Deputy Administrator of UMTA and the Deputy Under Secretary of DHHS, may be contacted directly.

States, human service providers, and other interested parties are encouraged to seek answers to coordination problems and issues as they arise.

Issue: Client Eligibility Requirements.

Specific eligibility requirements, especially among the numerous DHHS programs, has been identified by most States and outside commentators as a key factor that often inhibits the provision of coordinated transportation services.

For instance, a number of different definitions are used to identify handicapped and disabled persons under DHHS programs, including the Developmental Disabilities, Vocational Rehabilitation, Title XIX, and the Maternal and Child Health Programs. UMTA's 16(b)(2) program is limited to serving the elderly and handicapped while its Section 18 funding must be used to serve the general public.

Response: Both DHHS and UMTA agree that as long as the transportation needs of the sponsoring agency or program are met, vehicles may be used to meet other human service transportation needs. The sharing of vehicles by human service agencies and rural operators and the use of their vehicles in coordinated human service transportation systems is allowed and encouraged by both UMTA and DHHS.

Issue: Lack of standardized accounting and/or reporting procedures at Federal level.

Many States have complained that there is no standardized accounting system that human service providers must use for all of their Federal programs. In addition, different programs have different reporting requirements, resulting in excessive paperwork for small operators and too many financial and program audits for the same system. This fosters lack of accountability and coordination at the State level.

Response: A uniform chart of accounts for rural and specialized transportation has been developed by the Transportation Accounting Consortium (TAC). This provides a basis for simplified accounting procedures which can be adopted by States and local providers. The TAC, which has been supported by both DHHS and DOT, is a consortium of States which worked together to identify transportation accounting problems, document exemplary State procedures, demonstrate model practices, develop a standard chart of accounts, and provide technical assistance and training to States and providers. Both UMTA and DHHS permit and encourage, but do not require adoption of the TAC accounting procedures.

In the future, UMTA and DHHS will continue to discuss existing reporting requirements and will explore the development of more common performance standards, accounting, and reporting for all transportation components of UMTA and DHHS programs.

Issue: Lack of funding for start up costs and continued support of coordination.

Several States reported that Federal financial support for the identifiable administrative costs, both for start-up and ongoing efforts of coordinating arrangements, has not been formally addressed. In addition, some States have suggested more direct Federal financial incentives to encourage coordination.

Response: Expenses involved in initiating and continuing coordination efforts have always been allowable under UMTA's Section 8, 18, and RTAP programs. DHHS is presently exploring the eligibility of these costs under the specific programs that it funds. Additional guidance on DHHS programs will be distributed as soon as it is available.

Issue: Lack of policies which encourage coordination at the Federal level.

States and outside commentators have urged that DOT and DHHS take a more aggressive role in establishing a coordination requirement for the receipt of funding.

Response: Both UMTA and DHHS believe that State and local efforts to improve coordination of human service transportation will result in more effective utilization of Federal funding. The Joint Council on Human Service Coordination has been established to remove Federal barriers to coordination and to promote State and local coordination efforts. Other Federal incentives to encourage coordination are presently being explored by the Joint Council.

DEPARTMENT OF HEALTH AND HUMAN SERVICES**GRANTS MANAGEMENT GUIDANCE ON
COORDINATING HUMAN SERVICES TRANSPORTATION SERVICES**

The Departments of Transportation (DOT) and Health and Human Services (HHS) are working together to improve the coordination of transportation systems operated by or for human service providers. One of our mutual goals is to issue policy guidance which clarifies federal grant rules that affect transportation matters.

This guidance is intended to clear up some wide-spread misunderstandings concerning shared use of vehicles, cost policies, vehicle replacement, etc. that have apparently hindered coordination of transportation services at the local level. The guidance does not contain new rules. Rather, it is based on the requirements in HHS grant regulations at 45 CFR Parts 74 and 92, as well as government-wide principles for determining the allowable costs of grants and contracts found in Office of Management and Budget Circulars A-21, A-87, and A-122, and HHS's cost principles for hospitals.

1. Where can state and local program administrators go to get answers to pragmatic questions that arise when they try to coordinate federally funded transportation services?

The HHS and DOT Federal Regional Offices have formed joint regional working groups to promote coordination activities within the region. The groups also include representatives from most states. Questions may be addressed to either state or federal contacts named on the attached list.

Issues which cannot be resolved at the state or federal regional office level will be raised to the appropriate federal agency's headquarters office. At HHS that is the Office of the Deputy Under Secretary, and at DOT it is the Office of the Deputy Administrator of the Urban Mass Transit Administration.

2. Some grantees have been led to believe that government-wide regulations prohibit the use of equipment and facilities (e.g. vehicles) acquired under one grant to meet some of the needs of projects supported by different grants. Is this true?

No. There have been individual grant statutes that restricted use of grant equipment and facilities to activities supported by the grant, but there is no general, government-wide regulation prohibiting such shared use. The government-wide "common rules" on the fiscal and

administrative aspects of grants require only that first priority for use of the equipment or facilities go to the project supported by the grant to which the cost of the equipment or facilities is charged. The common rule permits states to use, manage and dispose of equipment in accordance with their own laws and procedures.

3. If equipment is paid for entirely by a grant, and is shared with another grantee, can the "owner" grantee charge the other grantee, or would this constitute double charging?

User charges are permissible even if the federal government paid for 100% of the acquisition cost of the equipment; in fact such charges are encouraged. The income to the "owner" grantee is considered "program income" and the terms and conditions of the "owner" grantee's grant award stipulate how the income must be treated. The charges are also allowable costs of the "user" grantee and may be charged to its grant(s) - provided the charges are reasonable, necessary, and properly allocated.

4. If an owner-grantee charges a user-grantee for transportation, may the charges include an amount to cover depreciation and/or wear-and-tear of the vehicle?

Yes. HHS and DOT recommend that purchase-of-service contracts between the owner and user grantees clearly specify the unit of service; e.g. so much per mile, per trip, per person. The rates should be set at a level that will cover vehicle depreciation and wear-and-tear because shared-use equipment will likely have a shorter useful life. The depreciation and wear-and-tear components of the charge are an allowable cost to the user's grant(s) regardless of how much of the owner-grantee's equipment acquisition costs the owner-grantee's federal grants paid for.

5. Grantees who have been fortunate enough to get vehicles paid for by grant funds sometimes find it impossible to get the federal grantor agency to pay for replacement vehicles when the original ones reach the end of their useful life. May the grantee charge depreciation costs to his federal grants so as to build up a vehicle replacement fund?

No. Not for those parts of the acquisition cost of the vehicle (or other equipment) paid by a federal grant or contributed by or for the grantee in satisfaction of a statutory matching requirement. This is a form of double charging - which is prohibited by federal cost principles.

6. May a grantee set up a capital reserve fund to replace existing equipment, and use grant funds to make deposits into the fund?

No. Government-wide cost principles prohibit charging to the grant deposits into a reserve fund of this type. The grantee may deposit its own funds or third-party contributions into such a fund - provided the deposits are not also used to satisfy a matching or cost sharing requirement.

7. Many human service providers who run their own transportation systems use accounting methods that don't reveal the full cost of operating the transportation system. This makes it very difficult to document the actual costs to the grantee of providing transportation service, or to document the financial savings possible by contracting with transportation providers or participating in a coordinated transportation system. Could federal grantor agencies require human service grantees to use standard transportation cost accounting systems that are available?

No, government-wide grant regulations prohibit federal agencies from mandating charts of accounts, but we can and will recommend model transportation accounting systems to our grantees as part of our technical assistance programs. The uniform chart of accounts for rural and specialized transportation which was developed by the Transportation Accounting Consortium (TAC) provides a basis for simplified procedures which can be adopted by states and local providers. We will encourage State grantees under programs like Aging and Developmental Disabilities to do the same with the State's sub-grantees.

Also, HHS requires its own grants management staff to do (or have done) a financial analysis of discretionary grant budgets prior to award; and then to negotiate a grant budget that is as cost-effective as practicable given each grantee's particular circumstances. We can help the grantee develop true transportation cost figures as part of this process and recommend participation in coordinated transportation systems as a way of lowering these costs.

8. When do grant administration regulations permit equipment acquired under a grant to be replaced; and may replacement costs be charged to the grant?

DOT has specific rules governing the useful life of vehicles and requirements for replacement. HHS regulations governing the fiscal and administrative aspects of grants, in effect, permit equipment acquired with grant funds to be replaced at any time. They govern how the federal share of equipment traded-in is treated, etc. However, the practical question remains whether sufficient grants funds are available to permit charging the costs of replacement to the grant. That

is a matter of federal budget constraints and the federal agency's priorities.

Within budget constraints, HHS encourages grantees to replace vehicles as soon as the full cost of amortizing, operating, maintaining, insuring, etc. a current vehicle can be shown to exceed the comparable full costs of a replacement vehicle. Safety and related factors (some of which can be costed) also need to be considered. This is one of the reasons HHS encourages grantees to use model transportation accounting systems. Recurring replacement costs may also be a strong incentive to consider joining coordinated transportation systems as an alternative to owning and operating grantee-acquired vehicles.

9. Some grants include "maintenance-of-effort" requirements in their terms and conditions. If a grantee had substantial transportation costs in past years, those costs could be in the maintenance-of-effort base - so that the base might go down should the grantee elect to go under a coordinated transportation arrangement instead. Wouldn't this have the effect of reducing the amount of grant support for which they are eligible?

Reductions in the maintenance-of-effort base can translate into less eligible "new" program costs and thus a smaller grant. However, if costs in the base actually declined because of transportation expenses reduced or avoided, the grantee should have a dollar savings to off-set a reduction in the federal grant. Also, the amount of the base (the dollar figure used for computing grant awards) is generally arrived at through a calculation of prior year(s) expenditures made by the applicant/grantee and approved by the federal granting agency. If these calculations were based on inaccurate assumptions, and better cost data is later produced, the base may be re-calculated. A grantee who anticipates a change in maintenance-of-effort may wish to request a re-examination of how its maintenance-of-effort base was calculated.

10. If a grantee has multiple sources of financial support, and each grantor requires that its award be the "last resort" for paying an amount charged an individual client for a ride, how does the grantee recover his actual costs?

Grantees who believe they are subject to such a "payor of last resort" restriction should first make sure that it is really an enforceable term and condition of the grant. If it is, they should question the grantor's business representative carefully about how the condition is to be applied. If statutory or regulatory restrictions are involved, the federal agency may need to obtain an opinion

from their general counsel. In general, government-wide cost principles require that an allowable cost which benefits more than one project or activity be allocated to each source of support in accordance with the measurable degree of benefit each activity derives from the good or service the cost paid for.

11. Grantees are sometimes subject to inconsistent or contradictory requirements if they are receiving grants or contracts from multiple sources such as federal versus state-only programs, or even from different programs of the same federal agency. How can these conflicts be resolved?

If the federal grantor agencies adopted their conflicting requirements administratively, they may be overcome by securing waivers from one of the sources; but on occasion the differences have their origin in conflicting provisions of the individual laws that authorize the grants, so that relief becomes impossible.

For example - take the matter of contingency funds for vehicle replacement and three grantees participating in a coordinated transportation system, where each grantee is funded by a different mix of federal and state grants and one has contracts with the other two:

First, consider a Head Start grantee who has no other grants. This grantee is forbidden by government-wide cost principles from using Head Start grant funds (or its own funds that match the Head Start grant) to make deposits into a contingency fund. If HHS authorizes it the grantee could use program income for the contributions, or if the grantee has income unrelated to the Head Start grant or private donations, they could be used.

If this same Head Start grantee contracts with someone else for transporting Head Start kids and staff, reasonable payments to the contractor are an allowable cost - regardless what expenses the contractor figures into his prices. The grantee and the federal government both disregard the fact that the contractor includes vehicle replacement costs in his per-ride fees or his bid price.

Next, consider a grantee who transports his own clients with his own vehicles, but also has contracts to do the same for other federal grantees and state or privately-supported organizations. As far as the federal grantor agency is concerned, this grantee should charge any organization that contracts with him rates that include a amount to cover vehicle replacement. However, if the

vehicles were acquired with grant funds, or if the cost of operating the transportation service is charged to a federal grant, then the income produced is "program income" and the federal grantor agency(s)' rules determine how the income must be used. HHS's grant administration regulations allow each HHS program to have either a similar rule for all program income, or to specify how it will be used on each individual grant. One of the program's options is to allow the grantee to deposit some of the income into a contingency fund for vehicle replacement.

One thing no grantee may do is "contract with himself" and use part of his "payments to himself" to build up such a contingency fund. First, HHS would not recognize such an arrangement as a valid contract. Assuming it did, the HHS program could still refuse to allow the vehicle replacement portion of the costs. This is because the federal cost principles say that a grant may be used to pay only the necessary cost of an activity. If a valid contract with an outside party includes anticipated future vehicle replacement costs as part of the fee, the grantee has to pay the whole fee (or take his business elsewhere) so the whole fee is "necessary." But if the grantee writes a specious contract with himself, HHS would disregard any hypothetical "fee" and pay only the grantee's actual, current, necessary expenses. Amounts set aside for future costs are not a necessary cost of the current activity and would be disallowed.

Finally, consider an HHS grantee who also has a grant from DOT for the costs of operating a transportation system. One of DOT's grant statutes is an example of legislation with a special provision that over-rides the federal cost principles' prohibitions against contingency funds. This grantee might own a mix of vehicles acquired with HHS grant funds and vehicles acquired with DOT grants or other funds. Part of his vehicle operating costs could be paid out of HHS grant funds and part from a DOT operating grant. This grantee would be permitted to make deposits into a contingency fund and charge the deposits (or the federal share of them) to his DOT operating grant. He would not be permitted to do the same thing on his HHS grant. Consequently, his over-all grant accounting system would have to be set up carefully so as to make sure that:

- total costs are fairly apportioned between HHS-supported and DOT-supported activities,
- none of the deposits into the contingency account permitted by DOT are charged to HHS

grant(s), and

- contingency fund deposits charged to the DOT grant are calculated correctly - bearing in mind DOT's fair share of the grantee's total activities.

12. Who can provide information about the grant administration requirements on which the above guidance is based?

Grantees who receive direct funding from a federal agency should first consult the grants officer or other federal official identified in grant award documents as being responsible for the fiscal and administrative aspects of the grant. Subgrantees who receive funds through a pass-through arrangement from a state or local government grantee should contact a comparable state or local grants official. Usually, this is the person or office to whom periodic expenditure reports are submitted.

Others with grant administration questions may contact the Office of Acquisition and Grants Management at HHS. Call (202) 245-0377; or write to Room 5173-D Humphrey Building, Washington DC 20201.

ADMINISTRATION ON AGING

ISSUES AND RESPONSES ON PERCEIVED BARRIERS TO COORDINATION

Issue: "Client Eligibility Requirements"

Issue: "If an Area Agency on Aging (AAA) shows a particular proficiency in providing transportation to its clients and it can identify an excess ride capacity in its vehicles for the use of another transportation disadvantaged group, categorical requirements may limit that agency's latitude to sell or share the excess capacity."

AoA

Response: There are no categorical requirements in the Older Americans Act (OAA) that limit an Area Agency on Aging from permitting an excess service capacity by a service provider to be used to serve another age or client group, provided that reimbursement is provided for the services rendered. It should be emphasized, however, that the Act prohibits the use of Older Americans Act funds for any persons other than those who are eligible to receive services under the Act. In addition, the delivery of services to other age groups may not impair the ability of a service provider to effectively carry out its mission on behalf of older persons under the Older Americans Act.

Issue: "Burdensome Mandatory Reporting Requirements and/or Need for Uniform Standards and for Unified Report and Accounting Systems Across Federal Agencies."

Issue: "The Older Americans Act Title III Program requires operators to report on a monthly basis the socio-economic characteristics of the Title III funded clients which they transport. Client specific information requires a "client file" system which can prove to be time consuming to obtain for small providers who view transportation as a support function to a primary mission."

AoA

Response: The OAA does not impose project level reporting requirements. The Act does require States to report data to AoA on units and costs of services and client characteristics. State Agencies on Aging are responsible for the oversight of the OAA program in each State, including the development of a State reporting system for accounting for the types of services provided. In our

regulations, Section 1321.17(f)(9), States would be required to have and employ appropriate procedures for data collection from Area Agencies on Aging that would permit the State to compile and transmit accurate and timely data to the Commissioner on Aging on an annual basis.

Issue: "Need for More Federal Direction, Leadership and Support for the Coordination of Human Service Transportation."

Issue: "There should be improved clarification of Federal policies or requirements of the use of various program funds. For example, several of the Section 16(b)(2) agencies have asked if they could deliver meals for the "Meals-on-Wheels" program with their 16(b)(2) vehicles on a time available basis. A policy statement issued at the Federal level delineating when UMTA funds and other Federal funds can be used, for what and by whom, would help in planning and providing coordinated transit services."

AoA

Response: The Administration on Aging has a long history and commitment to foster and support joint utilization of vehicles and interagency collaboration. It is our policy that coordinated and collaborative arrangements be worked out, whenever feasible. The primary mission of the State and Area Agencies on Aging is the effective coordination of services at the community level. It is only through effective coordination and collaboration that we can bring about comprehensive and coordinated systems that effectively serve older persons at the community level.

Issue: "Lack of Data to Determine the Amount of Federal and State Human Service Funds Available for Transportation Services is Viewed as a Barrier to Coordination."

Issue: "HHS does not categorize transportation as a discrete service. Therefore, transportation costs are generalized as part of client services. Without the data to determine transportation costs for services delivered, it is nearly impossible to seriously consider coordination potential among various programs."

AoA

Response: Section 321(a)(2) of the Older Americans Act, as amended, does identify transportation as a discrete service. In addition, Section 202(a)(19)(A) sets forth the requirements that the Administration on Aging must meet

regarding the collection of statistical data from the State Agencies on Aging on each type of service provided under the Act, including the aggregate amount of funds expended, the number of individuals who received the service and the number of units of each service provided under the Act. AoA has developed a reporting system that will provide the data required by this section of the Act. This reporting system asks for data consistent with the Act and AoA's obligation to report to Congress. We believe the system is flexible, imposes as little burden as possible, and will provide accurate, relevant data. The taxonomy of services used by the Title III program does include transportation as a discrete service.

Issue: "Title III of the Older Americans Act stipulates that in order to receive funds, a paratransit system cannot charge its elderly riders a fare. Some State officials believe that a fare should be charged to provide badly needed revenue to use as a local match to leverage Federal money."

AoA

Response: The Older Americans Act strictly prohibits means testing and denial of services because an older person cannot or will not pay for services. In the reauthorization of 1987, AoA proposed cost sharing by service recipients which Congress refused to enact. For many years, the Congress has monitored AoA closely on the implementation of the Act in this regard. However, Section 307(a)(13)(C)(i) of the Act and Section 1321.69 of our regulations set forth the requirements applicable to contributions for services under the Older Americans Act programs. In 1987 alone, a total of \$163 million was contributed voluntarily by older persons used to enhance services. We believe that each older person receiving a service under our programs should have the opportunity to make a contribution, but only the individual older person determines if they contribute and how much.

Issue: "Title III of the Older Americans Act of 1965, as amended states that "...funds appropriated under this title may be used to purchase transportation services for older individuals and may be pooled with funds made available for the provision of transportation services under the Rehabilitation Act of 1973, and Titles XIX and XX of the Social Security Act." The interpretation that Title III funds may only be pooled with funds available under the three sources cited is a barrier to coordination."

AoA

Response: While the Act stipulates the three above-mentioned programs directly, it does not intend to limit coordination to just these three. Title II of the Act further mandates coordination with other programs. Section 301 of Title III establishes the goal for State and Area Agencies on Aging to assure broadly based comprehensive and coordinated service systems to serve older individuals throughout each State. This has been interpreted to include public and private sectors, without specifically citing each program in the Act. The Administration on Aging has encouraged and supported collaboration and partnerships in every possible way in order to assure the availability of the widest range of services to the elderly in the most efficient way possible.

Issue: "Prior to the 1981 Amendments to the Older Americans Act, transportation for the elderly was a "priority" service for which Area Agencies on Aging (AAA) were mandated to spend at least 50 percent of their social services allotments for "access" services (including transportation). The 1981 Amendments to the Act changed the 50 percent requirement and allowed AAA's to shift their priorities, and the mandate for "access" services became "an adequate proportion" for social services (including transportation). AAA's now follow the broad objectives on their State Plans on Aging, while required by State Units on Aging to give written assurances that the "adequate proportion" requirements will be met. The pre-1981 language was obviously stronger in terms of mandated services."

AoA

Response: Section 307(a)(22) of the Act requires States to establish a minimum percentage that Area Agencies on Aging must expend for priority services. The list of priority services includes a category entitled "access services," which includes transportation. Thus, it is the responsibility of State and Area Agencies on Aging to set priorities for services at the community level, including transportation services.

OFFICE OF HUMAN DEVELOPMENT SERVICES
ADMINISTRATION ON CHILDREN, YOUTH AND FAMILIES
HEAD START

ISSUES AND RESPONSES
ON
PERCEIVED BARRIERS TO COORDINATION

Issue: Transportation is a major activity in many Head Start programs. In fact, it is the third largest functional area (after education and administration) upon which Federal funds are spent. Estimates are that 12 to 13 percent, or \$150 million, of Head Start projects' budgets are used to support transportation. What impact do Federal regulations have on transportation decisions in Head Start?

Response: Transportation decisions are made at the local level by the 1300 Head Start grantees. There are virtually no Federal regulations that control or define the type of transportation that Head Start programs should provide or the way in which it should be provided. Grantees must adhere to: (1) State and local laws, and (2) requirements that grant funds be used only in support of the delivery of Head Start services and be used in the most cost-effective manner.

Within this framework, grantees are expected to make decisions that best meet the needs of the families they serve. Grantees may elect not to provide any transportation, to operate their own transportation systems or to contract with other providers.

Issue: It is likely that there are opportunities in a number of communities for improving the efficiency of Head Start transportation services by either initiating contracts for the purchase of services from UMTA-supported systems or by expanding existing arrangements with these systems.

Response: We concur with the need for a policy declaration to be sent to Head Start grantees encouraging joint use, contracting or coordination whenever beneficial. Grantees should be asked, specifically, to contact community transportation providers and review whether new agreements are possible. This could occur over the coming year.

Discussions are needed with staff in our Regional Offices that fund Head Start programs to ensure that we have a consistent understanding of our policies and that, as grants are refunded, transportation alternatives are reviewed.

We plan to encourage closer communication, where needed, between our Regional Offices and the State entities that oversee UMTA-supported systems.

We will ask our Regional Offices to identify specific barriers that might exist to the development of more efficient transportation systems in local programs, and work to eliminate these barriers.

Issue: Buses painted school bus yellow are seen as special purpose vehicles rather than general purpose vehicles and grant funds for general public transportation cannot be used to purchase such vehicles.

Response: Head Start programs must adhere to local and State laws regarding the type and specifications of vehicles used to transport children. If State laws required that children be transported in special purpose, yellow vehicles or required other special equipment, this would be a situation that prevents the use of general purpose vehicles.

Issue: Many Head Start Agencies have limited resources and cannot afford to have a special purpose (school bus) transportation system.

Response: Using the funds available to them, Head Start programs are expected to provide whatever transportation services they decide are necessary and to provide these services in the most efficient manner. The issue is generally not one of the amount of resources available, but how they can be used most effectively.

Almost all Head Start programs could elect to operate special purpose vehicles.

Issue: Is the safety of Head Start children decreased if they are not transported to and from Head Start centers in yellow school buses?

Response: We have no independent studies or information on this question. Head Start programs adhere to State and local requirements.

Issue: Will State laws change to allow a part of the school bus package (color, lights, stoparms, etc.) to be used on vehicles transporting Head Start children?

Response: This practice is followed in some States. We do not have any information as to whether other States are changing their laws to allow it.

Issue: Will local/State school bus systems provide transportation for all preprimary school facilities (day care and Head Start)?

Response: A number of Head Start children are transported on public school buses, especially when a school system operates the programs, but also in some instances when the program operates under a different auspice. We do not have information regarding plans States or local school systems may have to transport children to all preprimary programs.

Issue: Where school buses are not used to transport Head Start and preprimary school children, should seat belts and child safety seats be an enforced requirement?

Response: We have no national requirement regarding this matter, although we have encouraged the use of discretionary funds to obtain appropriate child restraint systems in Head Start vehicles. No study of this issue is underway within Head Start.

Issue: Can a State-wide vehicle procurement process be used for Head Start vehicles using quantity purchasing capabilities increasing the likelihood of a more favorable price?

Response: Grantees could join together to achieve more cost efficient procurement of vehicles. We have not arranged such systems and are not aware of instances where this is occurring.

Issue: Will HHS and DoT cooperate with the Public Service Commission in determining the affect of regulatory decisions on coordinated transportation systems providing public transportation and special purpose transportation in the same vehicle?

Response: We will be glad to participate in the review of regulations.

Issue: Will State-wide purchases outweigh the problem, or perceived problem, of not having a "local dealer" raised by some local Head Start agencies' representatives?

Response: In the past, there have been complaints from local dealers when joint purchase agreements were used.

In the early 1970's, Navajo and other Indian Head Start programs were buying large numbers of buses through a GSA contract at reduced price. Complaints from local dealers to Congress helped to end the practice.

OFFICE OF HUMAN DEVELOPMENT SERVICES
ADMINISTRATION ON DEVELOPMENTAL DISABILITIES

ISSUES AND RESPONSES
ON
PERCEIVED BARRIERS TO COORDINATION

Issue: Do the programs of the Administration on Developmental Disabilities (ADD) make provision for transportation services?

Response: Some ADD Basic State Grants funds are used for the transporting of persons with developmental disabilities from community living situations to employment, recreation and medical appointments.

FAMILY SUPPORT ADMINISTRATION/OFFICE OF COMMUNITY SERVICES

ISSUES AND RESPONSES
ON
PERCEIVED BARRIERS TO COORDINATION

Issue: Client Eligibility Requirements

Response: The Community Service Block Grants (CSBG) Program maintains no client eligibility/categorical requirements for the transportation component. The CSBG statute allows the State to use up to 125 percent of the poverty index to determine eligibility for CSBG funded programs.

Issue: Burdensome Mandatory Reporting Requirements

Response: The statute regulating the CSBG Block Grant mandates that reporting requirements be limited to the OMB Circular A-128 Single Audit Act and program assurances.

Issue: Need for more Federal direction, leadership and support for the coordination of Human Service Transportation.

Response: The Office of Community Services the administering agency of the CSBG program, requires States to coordinate and establish programs to assure the effective delivery of such services to low-income individuals/families. Human service transportation needs is one component to the diverse overall services provided by sub-recipients of 90 percent of the CSBG funds.

Issue: Lack of data to determine the amount of Federal and State human service funds available for transportation services.

Response: OCS does not require reporting other than the Single Audit Act, nor does the office categorize transportation as a discrete service within the the CSBG block grant. Therefore, transportation costs are generalized as part of client services.

Issue: The need for greater flexibility overall and specifically in the use of vehicles.

Response: CFR 45 does not apply to States and sub-recipients of CSBG funds. However, guidance to the sub-recipient as well as the states regarding the use of CSBG funds in relation to the use of and purchasing of vehicles would be useful.

Issue: Revision of OMB A-122 Cost Principle for Non-profit Agencies.

Response: OMB Circular A-122 does not apply to the ninety percent CSBG block grant funds to the States. If the States want to adopt the principles of the circular, they may. However, DHHS has no tie-in to this decision.

Issue: There appear to be legal constraints that might complicate coordination at the state level.

Response: The utilization of CSBG block grants could be an alternative for coordination. The State's application for CSBG grant funds must assure that the State is coordinating and establishing linkages for the delivery of services on behalf/to the low-income populations.

Issue: Need for more resources to operate existing systems and replace vehicles.

Response: There will no be any additional funding for this current fiscal year. In addition, DHHS is requesting a reduction of 25 percent for FY 89.

Issue: The problem of "Turf Consciousness".

Response: The principles of the CSBG block grant is to allow the States to coordinate the activities at the States level along with local units of government.

Issue: Various transportation data that DHHS recipients collect to justify funding should be waived when an HHS recipient enters into an agreement with a public transit operator.

Response: The Office of Community Services does not collect nor require the collection of data relating to the programs of the CSBG block grant.

Issue: Passenger assistance training does not collect nor require the collection of data relating to the programs of the CSBG block grant.

Response: This would be supported by Community Action Agencies (CAA) which are the sub-recipient of the States CSBG funds as well as other HHS and UMTA funds.

HEALTH CARE FINANCING ADMINISTRATION
ISSUES AND RESPONSES
ON
PERCEIVED BARRIERS TO COORDINATION

Issue: The need to establish a Federal clearinghouse/contact point to raise issues regarding human service transportation coordination: A point of contact is needed for resolutions or coordination problems (particularly items not large enough for action by the Federal Coordinating Council). A procedure should be in place to advise all interested parties of any decisions or actions.

Response: Within the Health Care Financing Administration (HCFA), the Division of Intergovernmental Affairs has responsibility for liaison with State Medicaid agencies. The Intergovernmental Affairs office has been working closely with the DOT/HHS Transportation Coordinating Council and will continue to provide an avenue for information to flow to appropriate State agency officials.

In addition, HCFA will strive to provide assistance to State agencies in a number of ways:

- o During upcoming meetings between HCFA officials and State Medicaid officials, the transportation issue will be addressed and work of the DOT/HHS Transportation Coordinating Council will be disseminated and discussed. We will attempt to provide an opportunity for representatives of the Coordinating Council to make a presentation at these meetings. We will discuss with the State Medicaid agencies what future activities to pursue to achieve increased coordination at the State level.
- o We will mail copies of the report entitled "A 50-State Review of Medicaid Transportation Services" prepared by the Intergovernmental Health Policy Project and Rural America. This will provide States with accurate information on existing Medicaid transportation requirements and present them with knowledge of other State practices.
- o Copies of information on State transportation coordination activities and other Federal efforts (such as the DOT Technology Sharing Program) will be sent to State Medicaid directors.

Issue: Client eligibility requirements. A number of different definitions are used to identify the handicapped and disabled persons under programs such as the DD, Vocational Rehabilitation, Title XIX, Maternal and Child Health programs, etc. The differing eligibility criteria make it difficult to match clients with services.

Response: The Medicaid program provides medical assistance for services, including transportation services, to all eligible recipients and are not limited to persons who are handicapped and disabled persons. Section 1905(a)(vii) of the Social Security Act provides that the Medicaid program use the definition of blind and disabled used by the Supplemental Security Income (SSI) program.

States may take disabilities or handicaps into account in how they define what constitutes a "necessary" transportation service, and they may use the flexibility afforded them by Federal regulations to coordinate with other programs.

Issue: Burdensome mandatory reporting requirements and/or need for uniform standards and for unified report and accounting systems across Federal agencies:

1. Eliminate requirement to collect numerous data elements from Medicaid clients that they feel should be eliminated, such as client's name, the date and time of travel, a client identification number, etc. Elimination would reduce burden on drivers, dispatchers, data entry persons, etc. and would not effect the quality of the transportation service provided--which is their primary focus.
2. Many Human Service programs have their own accounting/reporting requirements. Cost categories are often defined differently which makes reporting to a number of different funding sources not just a matter of recalculation, but a matter of reporting costs separately.

Response: 1. States require all Medicaid providers to supply information on recipients for which services are provided. This is part of the Medicaid claims processing requirements. When claiming Federal financial participation (FFP) under the Medicaid program, States must be able to document that services were provided to Medicaid-eligible

recipients. While some transportation providers might find gathering such information burdensome, all Medicaid providers are subject to similar State requirements.

2. Before a State can file a claim for FFP for any service, all supporting documentation must be immediately available. A State must have a recordkeeping system which assures that documentation supporting a claim is regularly maintained, easily retrieved, and in readily reviewable form. Regulations require that States "maintain or supervise the maintenance of the records necessary for the proper and efficient operation of the (State) plan" and that States "maintain an accounting system and supporting fiscal records to assure that claims for Federal Medicaid funds are in accord with applicable Federal requirements." States translate the above requirements into specific instructions to providers which are then used to submit claims for specific services such as transportation.
3. States have a lot of flexibility in setting up their accounting procedures under the Medicaid program. However, their systems must be able to document claims for FFP. States which expressed concern that different human service accounting systems were creating problems should explore ways to coordinate program requirements at the State level.

Issue: Lack of data to determine the amount of Federal and State human service funds available for transportation services is viewed as a barrier to coordination: HHS does not categorize transportation as a discrete service. Therefore, transportation costs are generalized as part of client services. Without the data to determine transportation costs for services delivered, it is nearly impossible to seriously consider coordination potential among various programs.

Response: While expenditures for transportation services provided under the Medicaid program are not categorized separately in HCFA data, it may be possible to use other sources of information to consider coordination options. States must have

information on their expenditures to claim FFP even if it is included under general administrative costs or "other services." State Medicaid agency personnel should be consulted for the availability of such information.

In addition, the report "A 50-State Review of Medicaid Transportation Services", prepared by the Intergovernmental Health Policy Project and Rural America, contains information on individual State expenditures for transportation under Medicaid. We will be glad to provide a copy of the report to any interested parties.

Issue: Suggested changes regarding the Medicaid/Medicare program:

1. The Medicaid (title XIX) "Freedom of Choice" provision has been identified as a barrier. One State indicated that transportation services were not provided in a cost effective way (too many one person vehicle trips) under this provision.
2. There is no Federal funding source that is specifically earmarked for non-emergency transportation of Medicaid and Medicare clients. While UMTA can provide capital equipment to agencies that serve this group, there is no UMTA funding source for their operating costs. There should be a Federal funding source that provides requirements for uniform non-emergency transportation for Medicare and Medicaid clients as needed.

Response: 1. The attached document outlines the requirements for providing transportation services under the Medicaid and Medicare programs. At the outset, it is important to distinguish between the two programs. Medicare is entirely a Federal program, covering specific hospital, physician, and other service benefits for a defined set of Federal beneficiaries (most persons aged 65 or older, and certain disabled persons). Medicaid is a State-Federal program, administered by States within broad Federal guidelines, to provide health care for certain low income individuals and families. The statute and regulations give States considerable latitude in designing and implementing their programs.

2. Medicare provides a limited ambulance transportation benefit, within specific parameters, to a limited number of individuals. Medicaid provides a variety of transportation options. If a State provides transportation as an administrative expense, there are no Federal statutory requirements with reference to recipient "freedom of choice". However, if transportation is provided as a benefit service, it does have the recipient "freedom of choice" requirement. Should a State Medicaid agency want to focus eligible recipients to particular transportation services, it could apply for a Freedom of Choice Waiver from HCFA.

Many State Medicaid programs offer a wide variety of non-emergency transportation services. We support the flexibility States are provided under current Federal statute and regulation to design non-emergency transportation services to meet the unique needs of their Medicaid-eligible residents.

PUBLIC HEALTH SERVICES
ISSUES AND RESPONSES
PERCEIVED BARRIERS TO COORDINATION

GENERAL DISCUSSION

Wide variety of programs. The agencies of the Public Health Service operate a wide variety of health-related programs that include some component of patient transportation. Some of these are block grants operated by the States, while others are grants directly to health providers and some are direct service programs. The transportation component is a very small part of the overall programs. Attached is an inventory of PHS programs that include some transportation component.

No evidence of barriers. There is no evidence of any specific barrier to transportation coordination involving PHS programs. Not one of the specific program regulations or guidelines contains any restriction on the ability to coordinate transportation services. Similarly, the Grants Policy Statement that applies to all PHS programs does not include any express language or any reasonable inference showing a limitation on coordinating transportation services. The drafters of both the program-specific and the PHS-wide policies agree that any perception of barriers must be illusory.

Reviewing HHS Agency-wide regulations and government-wide regulatory materials, only one issue raises even a possibility of concern. OMB Circular A-102, which applies to state and local governments and Indian nations, now restrains grantees from using Federal funds to "unduly compete" with private sector commercial enterprise that do not receive grants, tax exemptions, or other forms of government largess. This language was not intended to keep a Federal grantee from offering its excess transportation capacity to another eligible organization, but there is no interpretative statement of this A-102 language to offer a "safe harbor" to grantees. With this possible exception, there are no apparent general regulatory materials that would create a legitimate barrier to coordination of transportation services.

APPENDIX C

CONTACTS FOR "BEST PRACTICES" PROGRAMS BY REGION

CONTACTS FOR "BEST PRACTICES" PROGRAMS BY REGION

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